

● PSF SAFE FILE: OFFICE OF Strategic Services, April-June 1944

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*C. S. L. folder*  
**SECRET**  
**DECLASSIFIED**  
*file*

3 April 1944

Miss Grace Tully,  
The White House,  
Washington, D. C.

Dear Grace:

I should be grateful if you would  
hand the attached to the President for me.

Sincerely,

*Bill*

William J. Donovan,  
Director

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E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA 11-11/27/74

By *ABJ*

Date DEC 4 1974

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

3 April 1944

MEMORANDUM FOR THE PRESIDENT

I have just received the following cable relating to conditions in Berlin.

"Today 2 April 1944, through the assistance of a close mutual friend, we had one hour alone with the Persian Minister to Sweden who was going back to Teheran by way of Baghdad. In order that he be allowed to visit his wife's grave in a suburb of Berlin, a diplomatic permit was obtained for him by Stockholm which allowed him to spend a single day in the German capitol. He spent Tuesday 28 March 1944 in Berlin. The following quiet and convincing eye-witness account of his visit was given today after our repeated oaths to maintain secrecy: With the exception of Schlesischer Bahnhof which is unscathed up to this time, all the major railroad stations in Berlin have been completely demolished. All the rail traffic

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seemed to be running on a punctual schedule and our informant's train was on time at every stop. Where there are no stations, rail tickets must be procured from the police and only emergency cases and special pass holders are permitted to buy tickets. The appearance of the rolling stock was clean and in good shape. 30th Charlottenburg and Templehof are entirely demolished, without a single building left standing. 50% of the buildings on Unter den Linden are intact and the other 50% destroyed. Both the Legation Quarter and the Tiergarten are completely demolished. The Luftfahr Ministry and Gestapo Headquarters are entirely destroyed. Not a wall is standing at the airport which is a shambles. The Moabit Criminal Courts are demolished. Informant claims he drove in a cab through central and west Berlin for a distance of 6 miles without observing a single house standing. Only about 25% of the subway system is in use; the remainder has been converted into giant shelters and a tremendous machine repair shop. In the major portion of the city,

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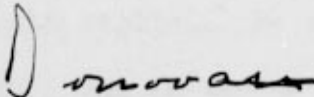
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the street cars are running. For the most part, the population of Berlin is living underground. They have evacuated all of the small children. The older children and the women are working on a 16 hour a day schedule. All food is stringently rationed, however, on a generous basis sufficient for the basic requirements. Positively no item can be had which is not rationed. This applies equally to clothing. The essential business of Berlin proceeds to function doggedly, however, some of the Ministries, the Luftfahr included, have moved to Vienna. Tremendous slave labor forces, for the most part made up of Russians and Poles, are in evidence everywhere doing safety demolition and cleanup. These men are forced to stay out in the open during raids since there are not enough shelters available for everyone in Berlin. During a single raid in March, it is reported that 40,000 of these Poles and Russians were killed. Our informant reports that a relatively accurate and gloomy picture is being given to the general populace about all the Theaters of War including the Eastern Front defeats. This results in a fabulous fear of the Russians

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but a reaction of intoxication, almost as though they were under the influence of morphine, with no sign of collapse and yet a general despair of ever gaining the victory now. Everyone is convinced that the only hope is to fight to the end and **there** is a glimmer of hope that England and America may, in self interest, turn against Russia once they see that the Soviet is about to assume complete control. In this way, the German cause will be rescued. The Minister passed through Bucharest which did not seem, from the train, to be damaged; he also went through Sofia which he approximates is 25% destroyed. However, he was not allowed to speak or see anyone in Rumania."

  
William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file*

4 May 1944

Miss Grace Tully,  
The White House,  
Washington, D. C.

Dear Grace:

Would you please see that the attached  
memorandum is placed before the President?

Thank you.

Sincerely,

*William J. Donovan*  
William J. Donovan,  
Director.

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E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA ltr 11/27/74

By

*OPS*

Date

DEC 4 1974

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

4 May 1944

MEMORANDUM FOR THE PRESIDENT

Here is material I have consolidated  
on certain items in China which, I think, may  
be of interest to you.

*William J. Donovan*  
William J. Donovan  
Director

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April 4, 1944

## MEMORANDUM ON CURRENT NEWS ITEMS IN CHINA

1. The Generalissimo is apparently still out of town - the reason for the long delay in the release of the Chinese statement regarding Sinkiang was it had to be telegraphed to the Generalissimo for approval. The common rumor is that he is in Sian, although some say Lanchow.

2. From many sources come reports that the Generalissimo has been under great strain during the past few weeks, some even saying that he has been "half crazy". There is general agreement that the problems worrying the Generalissimo are; increasing foreign criticism (Chinese are desperately curious to learn the contents of recent articles in the foreign press which are known to have been published but which of course are not released in China); relations with the American Army, including Army expenditures, negotiations over exchange rate, and problems brought up by General Stilwell (the story is around that the Generalissimo hit the roof after his talk with the General); and the Sinkiang situation (the Generalissimo is credited with daily tantrums at the slow progress of the Central Government military reinforcements moving toward Sinkiang by truck and the jittery attitude of Chinese officials regarding publicity is explained by the Generalissimo's order that nothing is to be released except after his approval).

3. The Chinese statement regarding the Sinkiang bombing incident (which appeared this morning) is an extremely weak reply to the TASS story. It now appears, despite early Chinese denials, that the border between Sinkiang and Outer Mongolia is in dispute, and that the original bombing occurred very close to the line claimed by Outer Mongolia. Official Chinese circles are very jittery. After first trying to play the incident up, they are now trying to tone it down. Censors prevented publication of the TASS story. Rumors persist that Ma Chung-yin is loose somewhere in Sinkiang. If this is true, it may mean trouble. The Central Government is rushing the 42nd Army to the province.

4. The prospect for settlement of Kuomintang-Communist problems seems to be getting worse. Lin Pai-hsu,



the preliminary Communist delegate for the planned discussions, has not yet left Yen-an. There are reports of fighting between Central Government and Communist troops in Northwest Honan. Communists are accused of massing troops in North Shensi in preparation for the opening of a corridor to Outer Mongolia. Further reports allege that this has been agreed to by the Japanese in return for a Communist agreement to relinquish Central Hopeh. There is a flood of rumors of Russian plans transporting "large quantities of munitions" to Yen-an.

5. The press correspondents' trip to Yen-an is being delayed - allegedly because of the impossibility of awaiting Lin's arrival in order to complete arrangements. The excuse is obviously flimsy and the whole question was the subject of a very stormy press conference last Thursday. Meanwhile the Ministry of Information is making efforts to have "safe" personnel included and it appears that censorship arrangements will be unsatisfactory.

6. It is reported that a "National Administrative Conference" will be held at Chungking about May 5. All provincial chairmen and commissioners will be required to attend. Following this conference, about May 12, there will be a plenary session (the 12th) of the Kuomintang Central Executive Committee. Main points of the agenda are: price control; the budget (the planned) budget for the current year will be exhausted about July at the present rate of expenditure; the Communist problem; and preparation for Constitutional Government. Following the CEC meeting the Peoples Political Council will be convened.

7. Chinese are getting frightened regarding a Japanese drive in Honan. Government offices are reported to have evacuated Loyang and today a banking acquaintance asked whether it was true that Loyang had already been captured by the Japanese. There are also reports that Fowyang, Anhwei, has been taken by the Japanese. This is the city to which General TANG En-po was recently ordered to move his headquarters.

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April 7, 1944

MEMORANDUM ON CURRENT NEWS ITEMS IN CHINA

There is attached a report of the Chinese Government press conference on April 5, most of which was taken up with fruitless efforts of the press correspondents to learn something regarding the situation in Sinkiang. It is obvious that the Chinese though greatly concerned over the bombing incident and the situation in Sinkiang, are still confused and undecided as to the policy which they should adopt.

An official of the International Publicity Board in a private talk with a well-known foreign correspondent on the evening of April 5 admitted the general veracity of the TASS story and other reports tending to show Chinese provocation. He made the definite statement that Chinese troops had actually crossed the border into Outer Mongolia. We explained these actions on the basis of Chinese conviction that relations between Russia and Great Britain and the United States were strained and that it was to China's interest to promote this tension. He pointed out that Chinese authorities in Sinkiang had kept the British and American authorities there fully informed of their version of the matter and that efforts had been made to interest the British and American Governments. Finally, the Chinese had prepared a lengthy statement and were about to release it in Chungking when the strong and obviously official TASS report appeared and got in the "first word".

This explanation of the whole affair as a Chinese effort to Complicate relations among the United Nations, even though coming from what must be considered a good Chinese source, can hardly be accepted as sufficient. Chinese motives may actually be several:

1. The Central Government wishes to establish its undisputed control over the whole of Sinkiang.

This recovery of Sinkiang is an important part of Chinese irredentism, which from a slightly different viewpoint, amounts to feudalistic imperialism. The Kuomintang regards its successful completion as a race against time - the day when Russia has recovered sufficiently from her crisis in the West to seek again to draw Sinkiang into

her sphere of influence.

The establishment of this control involves:

(a) Establishing direct administrative control over the whole of the province. Important in this connection is the area, apparently north of the main watershed of the Altai Mountains in the northern tip of Sinkiang, which is claimed by both Sinkiang and Outer Mongolia. This dispute, though denied officially in Chungking, is admitted by unimpeachable official Chinese sources in Sinkiang. It is also shown by a comparison of Chinese and foreign maps (see sketch which forms enclosure no. 2). The disputed area is of strategic importance for planned future efforts by China to regain Outer Mongolia.

(b) Breaking up stubborn and largely independent racial minorities such as the Kaz aks. One of the main centers of the Kaz ak population is this disputed Altai region where they have lived in the past with little governmental control.

(c) Overcoming continuing local opposition to Central Government control. The majority of the population of Sinkiang is non-Chinese and Chinese control there has always been unstable. It is reported that the people are not taking enthusiastically to the present Chinese attempt to reassert this control. There are stories, for instance, that there have been disturbances in which some of the recent Chinese settlers transported to Sinkiang by the Central Government have been killed. Contributing causes to such trouble, it may be assumed are the limited amount of irrigable land in Sinkiang and the historic tendency of the agricultural Chinese to encroach upon and destroy the grass lands which the livelihood of the nomadic population depends. Other causes of local opposition are also understandable. The Chinese in the past, and in the recent plans and statements of the Generalissimo, show an inability to conceive or adopt means of control other than colonization and the use of military power. There is not even talk, for instance, of plans

for economic, social and political reforms (including a large degree of genuine self-government) which might make the people of Sinkiang a willing and voluntary part of China.

2. The Chinese may wish to feel out Russian policy. This is important from a number of aspects;

(a) In regard to Outer Mongolia. The Kuomintang considers Outer Mongolia to be definitely a part of China, and it is determined, as a part of its announced mission to restore China's freedom and territorial integrity, to bring about its eventual return to Chinese control. An examination of Chinese claims to Outer Mongolia is of interest.

Legally, there is basis for these claims. In 1924 Soviet Russia committed itself to the recognition there of Chinese sovereignty. In 1936 when the Soviet Government signed a Treaty of Mutual Assistance with the Outer Mongolian Peoples Republic, it answered the prompt Chinese protests by stating that the treaty did not invalidate Chinese sovereignty and was aimed, not against China, but against other possible Third-party aggression. But these Russian commitments have been vague, and the true shape and strength of policy has been unknown.

Historically, the Chinese claim to Outer Mongolia is much weaker. The country was a part of the Chinese Empire under the recent dynasty partly by virtue of alliance with and partly by conquest by, the Manchus, the conquerors of China. The Mongols therefore shared, as partners of the Manchus, in ruling China, chiefly by the supply of troops. They have never considered themselves a real part of the Chinese Republic and the Republic has had only very brief and fragmentary control over the country.

Morally, it can be argued that the Chinese have lost whatever claim they may have had. Their policy, where and when they have had a chance to exercise it, has been selfish and oppressive. Mongolia for a time was the field of unscrupulous military adventurers.



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Nothing has ever been done to protect or benefit either the country or the people. Self-determination of minority peoples is a doctrine noticeable in Kuomintang thinking for its absence. The Generalissimo goes to great length in China's DESTINY to prove that the Mongols, like the other minorities, are actually a part of the Chinese race. It would not be surprising, therefore, to find that the Mongols, as the Tibetans and probably the non-Chinese population of Sinkiang, hate and fear the Chinese and are determined to maintain their independence.

(b) In regard to the Chinese Communist problem. The Kuomintang believes that the Chinese Communists have been in the past, and may be again in the future, supported by the Soviets. They may consider that the firmness of Russian policy in Outer Mongolia can be taken as an indication of Russian interest and aims with respect to the Communists.

(c) In regard to Russian plans in Sinkiang, in Manchuria, in China as a whole, and for eventual participation in the Far Eastern war. It may be argued, for instance, that if Russia intends to take a benevolent part in the war, if she does not intend to seek her own selfish interests, and if she wants to have as her neighbor a strong, independent and friendly China (under the Kuomintang), then she will support China's territorial integrity and not dispute Chinese claims to actual - rather than theoretical - sovereignty over such areas as Outer Mongolia.

3. Present Chinese leadership may wish to stipulate anti-Russian feeling, both in China and abroad.

The Kuomintang government, and many other Chinese, fear Russia and regard her as a greater enemy - certainly potentially - than Japan. With their traditional, and apparently unshakeable, habit of playing off one party against another, these elements dislike evidences of closer British-Soviet-American understanding, and welcome signs of differences and disunity. They count for support on the anti-Communist sentiments of the controlling British con-



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servatives and a large part of the American people. Recent articles from the United States by Chinese newsmen (of the Kuomintang's official news agency) emphasize the Allied suspicions of Russia's motives. The Generalissimo in recent talks has dwelt on the supposed frictions between the United States and Great Britain and Russia, and the machinations of the Russians in the Far East. Other important figures in the government, including HO Ying-chin and T. V. Soong, have expressed great concern over Russia's evil intentions. The Vice Minister of Foreign Affairs in remarks to Chinese newspapermen (made off the record) has tried to blame Russia for blocking the shipment of American supplies to China through Sinkiang.

Kuomintang holders of this attitude may believe that the interests of China will be served by a demonstration of Russian "imperialism" in Asia similar to that in Poland and other countries of Eastern Europe. This demonstration will supposedly have a good effect on foreign opinion regarding such questions as the Kuomintang-Communist conflict. It can likewise, and for the same reasons, be hoped that it will weaken the position of the Chinese liberals most of whom are friendly toward Russia and pro-Chinese Communist.

4. The Government seeks an opportunity to rally Chinese nationalism and to provide a diversion of attention from failings in other directions.

This follows naturally from the third point mentioned above. If things are not going well at home, (which is very definitely the case in China at present), there can be nothing better than finding a foreign scape-goat toward which to divert attention. The Government has sought to give a boost to national morale by making much of the recovery of Sinkiang and the plans for the development of the whole Northwest; now it can claim that this is threatened by Russia. If the Chinese Communists and Japan can be brought into the picture, so much the better. Worthy of note in this connection is the apparently sudden emergence of rumors of a Soviet-Japanese

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Chinese Communist understanding, of arrangements between the Communists and the Japanese for a Communist corridor to Outer Mongolia, of fighting between the Communist and Central Government forces in North Honan, and of shipments of Soviet arms to the Communists by air. These stories come from many sources, including the highest officials. But there is as yet no evidence of their having any basis in fact.

It apparently has been a favorite tactic of the Chinese leaders during the past two or three years, when they felt moral pressure to take some more positive part in the war, to seek refuge in the excuse of a Japanese threat in some other quarter. The recent Sinkiang developments can be interpreted as a variant of this strategy.

This explanation of the Sinkiang situation as having direct Central Government motivation may be considered too dogmatic. But it is hardly probable that Sheng Shih-tsai, weakened by the withdrawal of his former mainstay - Russian military forces and aviation, and certainly preoccupied with the maintenance of his position in the face of growing Central Government control, would independently, or even willingly, seek trouble for himself by campaigning against the redoubtable Kazaks and attempting to establish his frontier in areas known to be disputed with Outer Mongolia. As mentioned in my memorandum of March 22nd, some well informed Chinese believe that Sheng was under direct orders from the Generalissimo to create a military base in this area, strategic for possible future pressure on outer Mongolia. The fact cannot be denied that China, in the face of internal troubles and a stagnant war effort, is showing an amazing concentration on peripheral problems - Tibet, Northwest development, the status of North Burma, and even the borders of Indo-China and Thailand. Also it cannot be denied that China's relations with Russia have steadily deteriorated to a point of tension: There was bickering and bad feeling over the withdrawal of Russian interest from Sinkiang; the movement of Russian planes and trucks in China has been practically stopped; Russian military advisors are no longer welcomed or consulted; trade and barter are at a near standstill and Russia claims that the Chinese have not lived up to their promises; attempted transport arrangements have so far been a failure; Chinese feeling against Russia has

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become more outspoken; and, as mentioned before, the Chinese lost no time in trying to exploit the anti-Russian angles of the present incident.

Crediting the Chinese with at least a lack of concern over complicating their own and their allies relations with Russia may also be objected to on the ground that China is anxious to have Russia enter the war against Japan. I do not believe that such is actually the case. General Chinese public opinion may desire to have Russia enter the war at an early date in the hope that this will ensure the speedy defeat of Japan. But the Kuomintang's leaders, I suggest, give only lip service to this idea. On the contrary, if they are as calculating as we must assume they are, they will very much prefer to have Japan defeated by the United States, which they hope will continue to be friendly to the Kuomintang and opposed to the spread of Communist influence in China. By the same reasoning, the Kuomintang dreads the active participation by Russia in the defeat of Japan because this will give Russia an undeniable voice in Far Eastern affairs and will greatly increase her prestige and the influence of Communism with the people of China. We can expect, therefore, that as American strength in the Pacific increases and our war against Japan progresses favorably - as it is doing at present - the Chinese government will become more and more anti-Russian.

These may have been the Chinese motives in Sinkiang. What has been the Chinese success?

The pretext has been provided for sending large Central Government military forces into Sinkiang. These may by force, overcome any unorganized local resistance and break up minority groups such as the Kazaks inside of Sinkiang. They should also ensure - perhaps after a period of maneuver and face saving - the eventual removal of Sheng Shih-tsai and his replacement by a nominee of the Central Government. They probably will not, however be able to establish the disputed boundary claimed by China, because the Outer Mongols, even without direct Soviet participation, appear to have an efficient and well equipped military force. There is also the danger that Central Government military control may prove a boomerang by provoking rebellion in Sinkiang, either spontaneously from the resentment of the largely Mohammedan population, or through Russian connivance and support of such

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leaders as the mysterious General MA Chung-ying - reportedly "kept" by the Russians for the past ten years for just such a possible eventuality. Chinese concern is shown by the numerous rumors of MA 's appearance and by the anxiety to get the Chinese 42nd Army - one of General HU Tsung-man's best units - to Sinkiang as rapidly as possible. All trucks in Kansu are reported to have been commandeered for this purpose.

Russian policy, at least in regard to Outer Mongolia, appears to have been clearly tested. It is obvious that the Russians intend to stand by Outer Mongolia and to keep the country free - - in other words, an autonomous republic under Soviet influence.

This stand which the Russians have been maneuvered into taking may convince some sections of Chinese and foreign opinion that Russia has sinister designs in China and the rest of East Asia. But if the Chinese expected active British and American support, they have so far been disappointed. The foreign press seems to have given the matter little notice. The United States has shown little desire to complicate its relations with an important ally over what appears to be a border incident, possibly arising from Chinese provocation. And we have declined the bait of modified involvement by sending representatives to investigate, under Chinese auspices.

It seems significant that up to the time that the TASS report reached the world press and it had become obvious that foreign reaction was slight. The Chinese emphasized the aspect of Outer Mongol-Russian aggression and made sure, officially in Sinkiang and unofficially in Chungking, that the story was spread widely in all quarters. After that time, however, the Chinese have shown obvious confusion over the publicity policy which should be adopted and have stopped any efforts to play up the story. The TASS report was excluded from the Chinese press, and any news of the present situation in Sinkiang is unobtainable. The attitude of the spokesmen at the reported press conference strongly supports the general rumor that no Sinkiang news is to be released except by or with the express approval of the Generalissimo himself. Exceptions to this behavior have been a few officials, such as SUN Fo, who from the beginning seem to have seen the dangers of the situation and disagreed with attempts to distort and magnify it, even though these attempts seem to have sprung from the Generalissimo.



The occurrence of this incident, and the likelihood of its repetition in other forms if the Chinese leaders continue in their present course, raises the important question of the attitude which the United States should adopt toward Sino-Soviet differences. In a broader sense this question involves our overall relations with both Russia and the present Chinese government.

We must be concerned with Russian plans and policies in Asia because they are bound to effect our own plans in the same area. But our relations with Russia in Asia are at present only a subordinate part of our political and military relations with Russia in Europe in the over-all United Nations war effort and postwar settlement. We should make every effort to learn what the Russian aims in Asia are. A good way of gaining material relevant to this will be a careful first-hand study of the strength, attitudes, and popular support of the Chinese Communists. But in determining our policy toward Russia in Asia we should avoid being swayed by China. The initiative must be kept firmly in our hands. To do otherwise will be to let the tail wag the dog.

As for the present Chinese government, it must be acknowledged that we are faced with a regrettable failure of statesmanship. Chiang's persisting in an active anti-Soviet policy, at a time when his policies (or lack of them) are accelerating economic collapse and increasing internal dissension, can only be characterized as reckless adventurism. The cynical desire to destroy unity among the United Nations is serious. But it would also appear that Chiang unwittingly may be contributing to Russian dominance in Eastern Asia by internal and external policies which, if pursued in their present form, will render China too weak to serve as a possible counter-weight to Russia. By so doing, Chiang may be digging his own grave: not only North China and Manchuria, but also national groups such as Korea and Formosa may be driven into the arms of the Soviets.

Neither now, nor in the immediately foreseeable future, does the United States want to find itself in direct opposition to Russia in Asia; nor does it want to see Russia have undisputed dominance over a part or all of China.

The best way to cause both of these possibilities to become realities is to give, in either fact or appearance,



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support to the present reactionary government of China beyond carefully regulated and controlled aid directed solely toward the military prosecution of the war against Japan. To give diplomatic or other support beyond this limit will encourage the Kuomintang in its present suicidal anti-Russian policy. It will convince the Chinese Communists - who probably hold the key to control, not only of North China, but of Inner Mongolia and Manchuria as well - that we are on the other side and that their only hope for survival lies with Russia. Finally, Russia will be led to believe (if she does not already) that American aims run counter to hers, and that she must therefore protect herself by any means available: in other words, the extension of her direct power or influence.

It is important, therefore, that the United States have the following aims in its dealings with China:

1. Avoid becoming involved in any way in Sino-Soviet relations; avoid all appearance of unqualified diplomatic support to China, especially vis-a-vis Russia and limit American aid to China to direct prosecution of the war against Japan.

This may involve soft-peddling of grandiose promises of post-war aid and economic rehabilitation - unless they are predicated on satisfactory reforms within China.

2. Show a sympathetic interest in the Communists and liberal groups in China. Try to fit the Communists into the war against Japan.

In so doing, we may promote Chinese unity and galvanize the lagging Chinese war effort. The liberals, generally speaking, already consider that their hope lies in America. The Communists from what little we know of them also are friendly toward America, believe that democracy must be the next step in China, and take the view that economic collaboration with the United States is the only hope for speedy post-war rehabilitation and development. It is vital that we do not lose this goodwill and influence.

3. Use our tremendous and as yet unexploited influence with the Kuomintang to promote internal Chinese unity on the only possible and lasting foundation of progressive reform.

There is no reason for us to fear using our influence. The Kuomintang knows that it is dependent on us; it cannot turn toward a Japan approaching annihilation; it is inconceivable that it will turn toward communistic Russia; and Great Britain is not in a position to be of help. American interest in the Chinese Communists will be a potent force in persuading Kuomintang China to set its house in order.

The Communists would undoubtedly plan an important part in a genuinely unified China - one not unified by the Kuomintang's present policy in practice of military force and threat. But it is most probable that such a democratic and unified China would naturally gravitate toward the United States and that the United States, by virtue of a sympathy, position, and economic resources, would enjoy a greater influence in China than any other foreign power.

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Press Conference of April 5, 1944

- Q. Can the Vice Minister (of Foreign Affairs) amplify the information quoted by CENTRAL NEWS (on April 3) as coming from official sources in regard to the Sinkiang incident?
- A. I have no statement to make in regard to this matter. I regret that I cannot amplify the information already given to the Press.
- Q. Is there any question of clarity of the border?
- A. I regret that I have no statement and cannot discuss this matter.
- Q. Can you be quoted as saying that there is no statement?
- A. (After hesitation), I think it is better that you not quote me as saying that there is no statement.
- Q. Is any further statement in regard to the matter being prepared?
- A. Not that I know of.
- Q. Will the Vice Minister comment on the recently concluded agreement between SovietRussia and Japan?
- A. No statement.
- Q. Does the spokesman have any news to give us in regard to the rice riots which have recently occurred in Chungking?
- A. (Apparent surprise) I do not know of any.
- Q. Does the spokesman know of any recent incidents involving shooting between gendarmes and civilians?
- A. (Consultation among the spokesmen) I do not know of any such incidents. Where did they take place and when?
- Q. At Shapingpa. Gendarmes opened fire after a crowd looted some rice shops. Ten people were killed.
- A. (By P.H. Chang) I will try to find out about the matter from the municipal authorities. (K. C. Wu then spent several minutes

saying that when he was mayor of Chungking rumors of such rice riots were common but were always found to be groundless; he was therefore convinced that there was also no basis for the present story).

Q. Is Outer Mongolia an integral part of China? (As Forman started to ask this question, K.C. Wu tried to stop him, saying: "Please do not ask that question". Forman insisted on putting the question on the ground that he had at least a right to ask, and that the question had an important bearing on the matter inasmuch as if Outer Mongolia was a part of China movements of Chinese troops into it from Sinkiang would be a purely domestic matter).

A. I am sorry I can say nothing. I can release no news on this question. I can answer no question. Do not try to argue me out of my position. I must be adamant. Please excuse me.

Q. Can you give us some general diplomatic background to the problem?

A. I cannot discuss these questions. (The Vice Minister was obviously ill at ease and apologetic. Privately he told several correspondents that if they came to see him he could show them relative documents - presumably the treaties).

Q. Surely there is no objection to giving us some historical background.

No answer.

Q. I believe that last week you sort of promised to find out and tell us where MA Chung-yin is and where he has been for the last ten years.

A. Did I make any such promise? I cannot remember it. I'm sorry.

Q. Can we say that the spokesman refuses to discuss these questions?

A. I think you had better not.

Q. Has the Chinese Government addressed any official communication to the Soviet Government?

A. In diplomacy we never reveal anything - until the proper time comes for revelation.

Q. Who is it revealed to then? Will it be the press?



A. This is a matter between China and Soviet Russia.

Q. In view of the forthcoming conference on post-war aviation problems, can the spokesman tell us China's attitude on these problems?

A. China is deeply interested in these important problems.

Q. Articles recently appeared in the Chinese press referring to colonial possessions in Indonesia and Malaya as "formerly British", or "formerly Dutch". What was the meaning of referring to them in this way?

A. Probably because they are now under occupation by Japan.

Q. Has the probable effect abroad of such references been considered?

A. Nothing was meant.

Q. Another article has recently appeared in the Chinese press saying: "We must fight French imperialism". Does this refer to De Gaulle: if not, to whom?

A. I do not know of any such article. What paper did it appear in? I am sorry but I cannot answer without more details.

Q. Your censor passed the article. If it does not represent the attitude of the Chinese Government, I would like to follow it up with a message saying that.

After some pointless exchanges Gelder asked to be excused and returned in a few minutes with his telegraph file.

A. We have more or less recognized the French National Committee. This therefore cannot refer to the Committee. But the French in Indo-China are under Japanese control.

Q. What about the return of Indo-China to French control?

A. China has no territorial ambitions except to recover her lost territories as discussed and agreed to at Cairo. (Indo-China, of course, can be considered as "lost territory" and recent articles in such publications as the SAN MIN CHU I WEEKLY have suggested this claim).

Q. The article appeared in the Shih SHIH HSIN PAO and - - magazine.



- A. These publications are not official and do not represent official views.
- Q. Can you be quoted as saying this article does not represent official views?
- A. Yes.
- Q. Can the spokesman comment further in regard to post-war aviation?
- A. I have nothing more than I have already said. China is much interested in these problems.
- Q. Will the spokesman comment in regard to the Japanese advance into Manipur State? The foreign press has been carrying stories that China is worried.
- A. (After some thought and brow knitting) The Japanese drive will end in failure if the Allied forces put up resistance. There is no ground for concern.
- Q. If the Allied forces put up resistance?
- A. (By interpreter) I should have said "judging by the resistance of the Allied forces".
- Q. On March 6 DOMEI reported an important military conference at Peiping of puppet and Japanese military commanders. The first name listed is that of General PANG Ping-hsun. Earlier Chinese statements said that General Pang had been captured and taken against his will. Can the spokesman give us further information regarding the status of General Pang?
- A. (After protracted consultation between the spokesman) The matter has been dwelt upon by the Military spokesman in another conference. General Pang's name has been exploited by the Japanese for propaganda purposes.
- Q. I mentioned the matter because I thought the civil and propaganda branches of the government might have further information or comment.
- A. Until more is known of this reported conference and of General Pang's status, no statement can be made.

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WASHINGTON, D. C.

5 May 1944

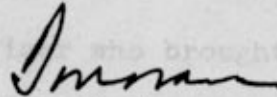
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confidential*

Miss Grace Tully  
The White House

Dear Grace:

I am attaching a report on Yugoslavia  
in which I think the President will be interested.  
Will you please see that he gets it. Thank you.

Sincerely,



William J. Donovan  
Director

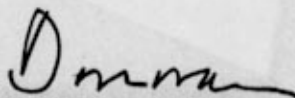
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

5 May 1944

MEMORANDUM FOR THE PRESIDENT

There is attached hereto a summary, together with a full copy, of a report to the Director, OSS, by Major Richard Weil, Jr., AUS, setting out the observations made by him on a mission into Yugoslavia between 29 February and 20 March 1944.

Major Weil is the officer who brought out the letter to you from Tito which we forwarded to you on 24 April.

  
William J. Donovan  
Director

Attachments

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**

3 May 1944

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E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA ltr 11/27/74

By *ABJ* Date DEC 4 1974

SUMMARY

JUGOSLAVIA AND THE PARTISANS

I. MILITARY INFORMATION

The Partisans now have about 300,000 troops in the field, including women, and children as young as fourteen. These forces, which are disposed throughout Yugoslavia, but operate under Tito's central command, are divided into 11 army corps and 3 army commands, and sub-divided into divisions, brigades, etc.. Armed with pistols, rifles, sub-machine guns and hand grenades, they engage in skirmishes and demolition, killing Germans and blowing up German equipment. They have no fixed lines, nor can they hold fixed lines against German troops and German armor, unless differently trained and equipped.

Opposing the Partisans are about 200,000 German troops, consisting of 17 divisions averaging 10,000 men each and 40 garrisons averaging 700 men each; also 100,000 Hungarian troops; 120,000 Bulgarian troops; 20,000 Ustashi; 110,000 Domobran, and 60,000 Cetniks, Rupniks, etc.. The Axis forces hold all the principal cities in Yugoslavia and all of the main lines of communication between them. They are able to travel at will in the country (provided they travel in force), and to maintain two north-south communication routes from the Austro-Hungarian frontier through Yugoslavia and Albania down into Greece. They are also able to extract from Yugoslavia limited amounts of food, copper, chrome, and other native resources. But they are prevented by the actions of the Partisans from enjoying the full, or anywhere near the full, material benefits that otherwise would be available to them.

The Partisans control most of the Yugoslav area outside the cities; hence they are able to provide territory well located for the British and American intelligence activities both within and beyond the borders of Yugoslavia.

II. ECONOMIC INTELLIGENCE

Although Yugoslavia has abundant and varied resources ordinarily more than sufficient for the support of the population, the people of Yugoslavia are now in acute need of almost everything, and have been for a long time. Food, clothing, military equipment, seed, and medical equipment, are all needed, and there are no reserves of any kind to speak of. The medical situation is typical. Anaesthetics and drugs are practically non-existent; suitable food for the sick is unobtainable; and even bandages are so scarce that they are used over and over again, and are merely washed in cold water before being shifted from one patient to the next.

A British medical officer who has travelled the country extensively for ten months, thinks it is extremely doubtful, on medical grounds, whether the Partisans will have the physical capacity to resist throughout another



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winter. Typhus, typhoid, dysentery, venereal disease, and, above all, tuberculosis, are making rapid encroachments on the population's health, both civilian and military. These diseases are particularly serious because they are superimposed on a two-and-a-half-year period of malnutrition and undernutrition.

The total tonnage of supplies necessary to relieve at least the most critical of these shortages is small, as these shortages are mostly in lightweight and compact articles. Vital needs probably could be met by a relatively small step-up of the program now in progress of supply from the air.

### III. POLITICAL INTELLIGENCE

The Partisans appear to control about two-thirds of the area of the country. This area is now governed by means of elected village committees which are responsible to elected regional committees, which are in turn responsible to the elected National Committee of Liberation. Tito states (and all the Partisans whose opinions were consulted seem to agree) that the future political policy of the country will be along democratic lines; that major issues will be settled by post-war plebiscites; and that the basic administrative framework will be a constitutional form of democratic government. Tito states that when the Germans have withdrawn from Yugoslavia the Partisans will, by popular support, be the controlling factor in the entire country. He claims further that they are already that, except in parts of Serbia and Macedonia. He says that it is neither unlikely nor undesirable that during or after the war one central democratic government will be adopted by the Partisan movement in Yugoslavia, Albania, Greece, Bulgaria, and possibly even Rumania. Tito is now and has for some time been in touch with the Partisan movements in these countries. He seems to see himself today as the de facto head of sixteen million Yugoslavs, and tomorrow as the de jure head of some thirty or forty million Balkans.

Tito realizes that diplomatic conditions may prevent, for some time, the political recognition of his provisional government as the true government of the Yugoslav people. There seems to be no doubt in his mind, however, that such political recognition will logically and inevitably be forthcoming. Meanwhile, one of his principal political objectives is to establish with the American Government a diplomatic channel of communication which will enable him to exchange messages informally with the President of the United States in much the same way as he now does with the British Prime Minister through Brigadier MacLean, and with Marshal Stalin through Lt. General Korneef.

### IV. PSYCHOLOGICAL INTELLIGENCE

The United States, evidently, does not figure importantly in the consciousness of the Partisans. They do not seem to believe that the United States has furnished them with assistance of any sort. Nor -- with the exception of Tito and a few of his staff officers -- do they seem to expect much future help from the United States. The Russians appear to be held first in their esteem, and the British, at least for the moment, as the prime source of material support.

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In spite of the popular favor which the Russians enjoy, only a minority of Partisans seem to be Communists or to believe that the application of Russian Communism is appropriate to Yugoslav problems. Favorable sentiment toward the Russians seems to stem rather from a combination of respect for their stamina as a people and an admiration of Russia's military accomplishments. These feelings in turn are buttressed by a still wide-spread undertone of Pan-Slavism. This undertone seems at the moment to be exclusively emotional, and does not carry with it any necessary suggestion of political affiliation.

The Partisans still display unbounded enthusiasm for their cause, and unbounded optimism as to the future.

# # # #

JUGOSLAVIA and the PARTISANS

Report of Major Weil on His  
Experiences with the Partisans in  
Jugoslavia

I.	MILITARY INFORMATION.....	Page 1
II.	POLITICAL INFORMATION.....	Page 28
III.	ECONOMIC INFORMATION.....	Page 36
IV.	PSYCHOLOGICAL INFORMATION.....	Page 41
V.	APPENDIX.....	Page 45

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JUGOSLAVIA AND THE PARTISANS

I. MILITARY INFORMATION

A. DESCRIPTION OF CURRENT PARTISAN POSITION  
WITH RESPECT TO MILITARY EQUIPMENT

Partisan military equipment at the moment consists of rifles, pistols, sub-machine guns, hand grenades, and that is all. The odds and ends of heavier equipment that they have captured from the enemy scarcely figure in their combat operations, and there is good reason to doubt that they ever will. This equipment limitation explains and necessitates the type of warfare they wage. In other circumstances and with more equipment, they might still be guerrillas out of choice, for tactical or other reasons. In the present circumstances, they can't be anything but guerrillas.

B. ESTIMATES OF FUTURE PARTISAN CAPACITIES  
IN TERMS OF MANPOWER, MATERIEL, ETC.

There are everywhere indications that the Partisans have dug deep into the barrel of their total resources in the so-called liberated areas. Their armies, for instance, contain considerable numbers of women. They also contain far from negligible numbers of children between the ages of 14 and 17. Almost all of these women and children have been through



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numerous combat operations. The present Partisan army is estimated at about 300,000. Tito told me that he would have not the slightest difficulty in enrolling at least another 200,000 within the next two months if the necessary equipment was forthcoming. This total figure of 500,000 certainly represents well over the usual high figure of 10% of the population of a totally mobilized country, and so in very rough figures it might be guessed to represent a base population of between three and four million.

Again, really accurate estimates are difficult because of geographical population shifts since the war and because of other factors such as massacres, taking of prisoners, combat casualties, etc., all of which have substantially affected the number of over-all population. Still the above figures are cited because there are some interesting implications in pursuing further the question of latent power in the roughly eleven to twelve million population who remain unaccounted for in the above calculation and who are presumably a potential major factor some time in the future either from a military or political standpoint or both.

The country has been properly reported as being acutely short of practically every material resource. They are without adequate quantity or quality of food, clothing, housing, military equipment, peace-time equipment such as agricultural implements and manufacturing and processing facilities,

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livestock, transportation, communication, medical supplies -- in short, everything. It would be difficult to exaggerate the acuteness of these shortages although the point will not be labored. Whether there remain in the country which has been living on its capital to the extent of Yugoslavia enough human and material resources to carry them through another winter of war, is a matter on which the writer hesitates to venture an opinion, but which constitutes at the very least a real and not easily answered question.

C. MEDICAL SITUATION AS IT AFFECTS  
PARTISAN AND ENEMY MILITARY OPERATIONS

[This and the other technical medical information contained in this section of the report are derived from the experiences over ten months of two competent British medical officers who talked to me at length. Additional information was derived from my personal hospital inspection and considerable conversation that I had with some of the Partisan medical chiefs and other doctors.]

Medical conditions in Partisan territory could scarcely be worse. There is literally nothing we consider indispensable to the maintenance of minimum medical standards which the Partisans do not lack. There were at the outbreak of hostilities in Yugoslavia about 6,000 doctors of all kinds. Many of these doctors were killed, captured, impressed into enemy military service, or left to carry on what civilian practice they could in enemy-occu-

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pied sections. About 500 have found their way into the ranks of the Partisans. Both their knowledge and their skill are, by our standards, of an unacceptably low order.

There are virtually no trained nurses. What nursing is done is more of a "practical nursing" and "orderly" nature, by willing but dirty and unskilled women wearing either no uniforms or ordinary soldier's uniforms.

I inspected the divisional hospital near Partisan GHQ. It contained about 150 patients, housed in dirty and ill-ventilated rooms with about 15 patients per room averaging 10' x 14'. There were no beds, no blankets, no sheets, no pillows, no sanitary facilities, no utensils. The patients lie on the floor, head to the wall and feet toward the center of the room, in dirty old clothes which are never changed, and with maybe six or eight inches of floor space between each patient. There is some effort made to segregate operative from non-operative cases and particularly infectious cases, but this is by no means completely practiced either in this or any other hospital that I heard of. There are practically no drugs. Anesthetics are hardly ever available or used for any purpose. Bandages are in such demand that the same bandage is taken off a patient, washed in cold water and put on another patient as many as ten or twelve times before being thrown away. It is not uncommon for a bandage to be put on an amputated limb only until the bleeding stops, after which it is

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taken off, washed and put on some more urgent case. Food is scarce, monotonous, ill-prepared, unpalatable, altogether unsatisfactory. Even water is dirty and scarce. Splints are crudely whittled out by hand and hardly either fit, or perform their function. I was told that 98% of all abdominal and head operations never recover. 40 out of 150 in the hospital near GHQ had T.B. either as their only sickness or in addition to whatever else they had. Patients in dire need of hospitalization, such as advanced cases of gangrene, apply to the hospital and are turned away, because of the inability to accept any more patients, with the assurance that they are quite all right.

Hospitals are frequently on the move through the hills because repeated experience has shown that if the patients are left when the enemy arrive, they are killed. It was stated that the usual practice was to cut their throats but that sometimes they were shot instead. The additional burden on the already overtaxed transportation facilities of the Partisans entailed by the moving of sick people is such as to lend more than the usual degree of credibility to the statements that were made about the killing of the sick by the enemy.

Typhoid, typhus, dysentery including amoebic dysentery, and venereal disease are all seriously on the increase. Partisan doctors estimate Partisan wounded around 15,000. They estimate the total of tuberculosis, including incipient as well as active



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and undiagnosed as well as diagnosed, between 25 and 40% of the population. One British medical officer with ten months' experience up and down the country believes that the over-all health situation is so bad as to make improbable the physical ability of the army and civilian population to continue resistance to the enemy during another winter of war even though their "will to resist" should persevere unabated.

Another interesting item arising out of my medical conversations was the statement that venereal disease was seriously on the increase among enemy troops. I told the doctors concerned that this constituted enemy military intelligence of a high order of interest to us and that more precise figures indicating what proportion of enemy troops were incapacitated, for how long, the rate of incidence, and the rate of increase, would be welcome. They stated that such information could be obtained from captured enemy doctors and that they would make a point of obtaining it.

#### D. PARTISAN BATTLE ORDER

The following information on Partisan battle order was supplied to me by General Arso Iovanovic, Partisan Chief of Staff at Partisan GHQ:

The Partisan army is composed today of between 290,000 and 310,000 troops divided into 11 army corps and three so-called army commands. Both men and women serve in the army although the proportion of women was not ascertained. Children as young

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as 14 years old also serve in the army and are used in combat operations. Concentration of ages is probably between 17 and 35 with company grade officers averaging around 22 and field and general officers averaging from 25 to 30.

The First army corps with headquarters at Prekaja consists of 17,000 men; the Second corps with headquarters at Brena, 21,000 men; Third corps, headquarters at Blassenica, 14,000 men; Fourth corps, Kordun, 24,000 men; Fifth corps, Petrovac, 22,000 men; Sixth corps, Slavonija, 19,000 men; Seventh corps, Nogtrenska, 20,000 men; Eighth corps, Ticevo, 18,000 men; Ninth corps, Primorje, 16,000 men; Tenth corps, Zagorje, 15,000 men; Eleventh corps, Lika, 16,000 men; Voivodina command, 21,000 men; Serbian command, 16,000 men; Macedonian command, 5,000 men; miscellaneous "cdreds", 48,000 men; total, 292,000 men.

The Partisan army is divided into companies, battalions, brigades (which correspond to regiments), divisions, and army corps. The numerical strength of a brigade may vary from 800 to approximately 2,200 men. They are just beginning to form specialist sections of any size and standing for demolition, mechanized equipment, etc.. They have Moslem brigades, so-called proletarian battalions, Serb battalions as well as Serbs scattered through all the armies, many Montenegrins, a number of Hungarians, Austrians and Germans and some deserters from every group against which they have been fighting. All the deserter needs to do in

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order to join the Partisan army is to tell them that he believes in the Partisan cause and wants to fight for it.

E. ENEMY BATTLE ORDER

General Iovanovic estimates that Yugoslavia now contains around 600,000 German and German satellite troops opposing the Partisans throughout the country. There are 17 pure German divisions averaging about 10,000 men each and 40 garrisons averaging 700 men each, or a total of 200,000 Germans. He estimates an additional 100,000 Hungarian troops, 20,000 Ustashi, 110,000 Domobran, 20,000 Cetniks and Rupniks in Croatia, 40,000 Cetniks and Nedic State's Guards in Serbia, and six divisions amounting to 120,000 Bulgarian troops. The Hungarian troops are located in Voivodina, along the Dravo River, and along the northeast border of Yugoslavia. They are commanded by their own officers but have present with them at all times German officers described by Arso as "inspectors". The Ustashi are located in Croatia, particularly in Zagreb and in parts of Dalmatia. They are organized into "cdreds" or detachments, with their own officers, and their connection with the German Army is said to be through collaboration rather than through any formal channel of command. The Domobran, located in Croatia, Bosnia-Herzegovina and Dalmatia, are organized into cdreds and commanded by German officers. The Cetniks and Rupniks in Slovenia, also in cdreds, wear German uniforms and have German weapons and supplies and are commanded

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by German officers. The Cetniks in Serbia and the Nedic troops are organized into battalions and regiments with their own officers. The Bulgarian troops located in Serbia and Macedonia are organized into two army corps, each containing three divisions. I asked Iovanovic whether, as in the case of German and satellite groups which were under full manning table strength, there was any uniformity about the characteristics of the under-strength organizations, to which he replied that sometimes all components of a particular division or regiment were represented but none of them up to full strength, and other times certain entire components such, for example, as a heavy weapons company, were missing. He said that the former case occurred more frequently than the latter.

It is to be noted that the inconsistencies and gaps in the Partisan Chief of Staff's account of enemy battle order are included in this report, as given by him to me, because of my inability upon cross-questioning him to get him to resolve these inconsistencies. It was apparent in the conversations that I had with Partisan officers about battle order that they had neither understanding of nor interest in battle order in the terms in which American and British staffs are interested. The usual Partisan attitude is "all we want to know is where the enemy is and about how many of him there are". They do not believe that it is of the slightest advantage to them to be able when observing the enemy to distinguish between a battalion, a regiment, a



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brigade, a division, or a corps. Incredible as this may seem, it is literally true. There have been repeated instances of battalions reported as brigades, divisions as army corps, etc.. From time to time Tito's staff officers have evinced some slight interest and surprise when the British intelligence officer there was able to give them, from British battle order sources, accurate descriptive details about German formations in Yugoslavia not previously known to the Partisans, but subsequently verified by them as true.

It is to be noted that the enemy holds the entire coast line, all major cities, all major communications lines between the cities and particularly two main north and south routes running from enemy-controlled territory in northern Italy, Austria and Hungary through Yugoslavia and Albania into Greece.

F. NATURE OF MILITARY OPERATIONS WHICH  
HAVE BEEN AND ARE BEING CONDUCTED

The exclusively guerrilla nature of the war situation in Yugoslavia becomes acutely obvious to an Allied officer going into the country. The theory that the country is divided into occupied and liberated territory is to a degree in the nature of a myth. It is true that there is a liberated territory in the sense that there are certain territories usually free of enemy troops, but there is no territory anywhere in the country which cannot be entered by enemy troops as will, and with a min-

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imum of resistance. Since there are no fixed lines, there are no protected liberated areas behind the lines. Tito's own headquarters are always located on an admittedly temporary basis and continuously perched precariously for flight in the event of quick approach of the enemy. The location of Tito's headquarters during March was in a place which had previously been held at different times by the Germans, the Italians, and the Ustashi. The village near which were the headquarters shows ample evidence of enemy occupation and destruction. It would probably not take the enemy more than a few hours at most to come in with tanks and ground troops and move Tito out any time they felt like it. While I was there, low-flying Dorniers and Stukas came over at will practically every day, dropping bombs and machine-gunning from altitudes of 50 to 100 feet. Against such operation the Partisans have no defense and they have been ordered not to fire on these planes since all they have to fire with is rifles and sub-machine guns, which gives them no chance of downing the planes, but which does tend to incite enemy fliers to concentrate their efforts on the spot from which this ineffectual anti-aircraft fire emanates.

The Partisans fight, as might be expected, with very irregular and loose military control from GHQ and with a great deal of reliance unavoidably placed upon the ability and initiative of the individual soldier and the company grade officers. There

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is a high disregard for the value of human life in many cases, and penalties for insubordination are sometimes correspondingly severe. But equally often a soldier or group of soldiers who fail to obey the order of a superior officer are ignored, gently reprimanded, or exposed to the powers of moral suasion of the nearest political commissar.

The Partisans have, of course, developed considerable skill in ambush, quick encirclement, certain kinds of sneak attacks for purposes of demolition, capture of ammunition, and the like. They have at the moment neither the training nor the equipment to do what they would so much like to do: establish fixed lines through which the enemy could not penetrate.

#### G. ESTIMATE OF DAMAGE TO ENEMY

It is difficult to report dependably Partisan damage to the enemy. There are at least three reasons for this: First, Partisans are themselves inaccurate reporters. Second, Partisans keep few records. Third Partisan communications between units are incomplete and irregular.

It is possible, however, to furnish reasonably good grounds for the general assumptions that the Partisans have pretty well pinned the enemy to the cities and the main lines of communications; that they have forced the enemy (when they wished to move away from cities or main lines) to move with armor, and in force and with care; that they have frequently disrupted enemy supply

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lines and captured enemy materiel; that they keep the enemy on a constant and defensive alert; and that, although this last is somewhat more questionable, according to the Partisans they have impaired the morale of enemy troops in their territory by the elusive quality of their repeated hit-and-run tactics. The Partisans' announced claim, however, that they, by their own sole efforts, are "containing" 17 German divisions and well over one-half million enemy troops in their country, is unquestionably false. There are other claims of strategic damage to the enemy arising out of Partisan activities. They include such items as increasing the difficulty of supplying the troops in Greece, complicating the enemy's problems of moving troops back and forth to Greece, etc..

Although it cannot be accurately calculated, it is fair to say that, in summarizing the situation with regard to damage to the enemy, the enemy have ample reason to wish, and have shown they do wish, that Partisan resistance might be liquidated. Another reason, over and above those already mentioned, is that the Germans are unable to extract the useful material and resources, physically present in the country, in anywhere near the quantity they would like and need so long as organized Partisan resistance remains near its present level.

#### H. PARTISAN MILITARY INTELLIGENCE OPERATIONS

General Iovanovic was reluctant to give information on the subject of Partisan intelligence operations. This was the only

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subject on which he exhibited such an attitude. He said that with Tito's permission, he would give me a description of their set-up, but I felt for a number of reasons that the time was not advantageous to press for more information, and decided to wait until some future date. I believe that we can obtain at least some information on this subject from the Partisans any time we want to insist on it. The General did say that they had a complete military intelligence organization; that they were well satisfied with it, and its workings; and that if I wished to locate American intelligence officers at the different army corps headquarters, it would be possible for those officers to work with the Partisan chief intelligence officer.

Major Alston, the British G-2 on Brigadier MacLean's mission, told me that there had been rumors that the entire Partisan intelligence organization had been disbanded at about the time of the establishing of the Anglo-American mission to Tito's headquarters; and that so far as he could discover, it had probably taken place owing to the Partisans' finding that the organization had been extensively penetrated. Since that time they have re-established their new set-up. If the penetration story is true, it would certainly help to explain Iovanovic's reluctance in giving any details of how they now operate. Also, he himself has been among the more suspicious Partisan officers in his dealings with the British and the Americans. The BBC some months ago fell somewhat short of winning Iovanovic's friendship,



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when he turned on his radio receiver one night, and heard himself mentioned by name as a traitor and collaborationist. In addition, he has questioned from time to time whether any of the vital Partisan information released to British and Americans would find its way back to the Royal Yugoslav Government and Mihailovic, since we have been known to have connections with them. He told me that the difficulty of getting couriers and consequently information, documents, or materiel through the German lines and in and out of the German-held cities, was considerable. His statement was corroborated by one or two other staff officers but is at variance with Colonel Vladko Velebit's statement that such traffic could be and was carried on regularly and with ease. Whatever the personnel and organization of the Partisan intelligence set-up may be, the external evidence in terms of results certainly suggests at the very best a lop-sided group which may be good for certain kinds of individual and personal espionage, but does not seem to produce much in the way of organized battle order or enemy intelligence. Once or twice they have turned up with an interesting German prisoner from the Abwehr or some similar group, but all in all the results, as known and examined by us, have been less than meager.

I talked with the General about the degree to which his organization had at various times up to the present been penetrated by the enemy. He said that there had never been much penetration, that there was less now than ever, that the penetration had always

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been restricted to enlisted men and non-commissioned officers, and that no commissioned officer had ever been an agent. He pointed out with pride that since the Partisan army was entirely a voluntary army, it was composed of a preponderance of loyal soldiers who would quickly discover and turn in any spies. His story on this point struck me as about the most unconvincing sample of Partisan frankness and the most amateurish and transparent effort at impressing us that I ran into the whole time I was in the country. I mentioned to him a case I knew about of penetration of their Slovenian Headquarters, and then I dropped the subject.

The Partisans have built up some files consisting of reports and original documents on subjects of special interest to them like Cetnik and Ustashi collaboration with the enemy or the "treasonable" activities of individuals. I brought out of the country photographs of about a dozen items of this type.

I. ESTIMATE OF QUALITY AND QUANTITY OF  
INFORMATION REPORTED OUT OF THIS AREA  
WITHIN THE PAST SIX MONTHS

It can be said that the Allied situation with respect to information out of Yugoslavia has improved within the past six months and that we are getting more information than ever before. It is being reported by our own officers, observing at first hand within the country, and some of it is valuable. There are, however, real limitations on the information that we are now getting

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out of the country. The information now in our possession about Yugoslavia is substantially defective in the only four ways information can be defective. We are substantially uninformed and misinformed. The analysis we have received is incorrect and incomplete. We are uninformed in that we do not know whether Partisan reports about action against the enemy are accurate, exaggerated, or utterly untrue. This is because, for the most part, we have taken the Partisans' word for what went on in enemy actions since we have seldom had our own observers with them to make independent observations and reports. We are uninformed about enemy military intelligence such as battle order because although material in profusion is there to be collected, we have not for the most part collected it. Very few German soldiers' paybooks have come out of the country. Owing to what I believe to be a mistaken political decision, practically no prisoner interrogations have taken place within the country, although prisoner interrogation in Yugoslavia offers certain unique opportunities for valuable information. We are uninformed on economic affairs both as they affect military prospects and post-war relief and rehabilitation because we have had no personnel within the country who were qualified as experts to collect or evaluate such information. We are for similar reasons uninformed on valuable psychological data available within the country. We are best informed in political matters although even there we may still be said to be significantly uninformed.

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It may be asked why questions of political, economic, and psychological information are included in a section entitled "Overall estimate of military situation". These factors so intimately affect military activities and prospects that it would be dangerous to appraise the military situation without taking them into account.

The foregoing paragraph explains not only how and why we are uninformed but by inference many of the ways in which we are misinformed. There are still other ways in which we are misinformed as to the military situation. It has been stated that we are giving all material aid to the partisans that is possible in view of the bottle-neck in transportation. This is not true. There are five specific ways in which our existing number of plans could sizeably increase the amount of help they bring. These ways are:

1. Better planning
2. Better packing
3. Better dispatching
4. Better receiving
5. Better control of distribution

These things cannot always be expressed statistically, but even so I would venture a guess that we would be no less than 50% more effective in supplying material damaging to the enemy by concentrating on these five points. Our analysis of the military situation has been incorrect to the extent that we may

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have thought that we were in a position always to be informed of large enemy movements into and out of the country. General Wilson, C-in-C, Med., was quite disturbed a few days ago to learn that three German divisions had moved out of Bosnia into Hungary without his being notified, and he asked me how such a thing could happen. I explained that our set-up was such that it could and would happen all the time, and that he was simply questioning one move of special interest to him while other similar moves might well occur, and go unreported to him, and uncommented on by him. I suggested that, in order for him to assume that all such moves would be reported to him, three changes in set-up would be required within the country and that we were prepared now to make such changes. These changes are covered in Section \_\_\_\_ of this part of the report.

Our analysis of the military situation is incorrect insofar as we believe that the partisans are, of themselves, "containing" 17 German divisions and one-half million enemy troops at the present moment; and further, insofar as we believe that they can continue to "contain" these troops one moment after the troops wish to withdraw. These matters have been commented on in some of the foregoing sections of the report. Our analysis is incomplete insofar as we have failed to question the ability of the country to continue an effective resistance movement through one more winter of war. These specific instances of our being uninformed, misinformed,



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incorrect or incomplete in our analysis are intended to be no more than instances, and comprise by no means an exhaustive list. The next section will attempt to indicate some of the ways in which the situation may be remedied.

J. MEANS OF OBTAINING WITHIN JUGOSLAVIA VALUABLE  
INFORMATION AVAILABLE THERE BUT NOT AS YET  
CONSISTENTLY REPORTED TO US.

The first thing we need is enough allied officers of the right sort at the right places within the country. The next thing we need is proper briefing of such officers before they go into the country and proper supervision of their actions after they go into the country. Finally, we need proper forms and channels of reporting after such officers under such direction obtain the needed information. (It is to be assumed that the logical constructive action indicated by such reporting will then be forth-coming.) It must in addition be constantly borne in mind that the Partisans up to and including Tito are realists and horse-traders who will give us what we want, in information and help, in fairly equal proportion to their getting what they want in the only three categories which interest them: (1) Material help, (2) Diplomatic lines of communication (not necessarily recognition, and (3) Political encouragement. In my judgment that is the formula. If we give the partisans at least something of what they want under those three headings, and if we simultaneously organize ourselves to take advantage

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of the help which they will give us in return, we will get the information and initiate the action in Yugoslavia which will be most advantageous in the prosecution of the war. I cannot state too strongly that also, in my judgment, the converse is true. If we do not do these things, we cannot extract the maximum military information or benefit out of Yugoslavia.

K. PARTISAN MILITARY PLANS

Tito explained to me that his military plans included the following items listed not in the order of their importance:

(1) Establishing either a variable system of temporary beachheads, and temporary supply lines from them inland to his army corps headquarters or, if he was able, at least one fixed and permanent point of reception at the sea coast and an inland route.

(2) The expansion of the Partisan military forces from 300,000 to 500,000 as soon as the necessary military equipment was made available.

(3) Formal training of officers and specialists in staff and other schools, some of which are already in operation.

(4) The importation of a considerable range of heavy equipment, including guns, tanks, vehicles, etc., with a view to altering the character of his tactics.

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(5) The establishing of a system of fixed lines of defense within which liberated territory could be permanently protected from enemy ingress.

(6) The expulsion of the enemy from all Yugoslav territory.

(7) The elimination through absorption, merger, military defeat, and/or annihilation of all enemy Yugoslav factions within the country.

(8) The mounting of offensives against the enemy beyond the Yugoslav, Austro-Hungarian frontier after the expulsion of the enemy from Yugoslavia.

I pointed out to Tito that these might more properly be described as hopes than plans since, not in a single instance, was he or anybody else in a position to describe today the means by which any of these projects might be accomplished. Tito denied this and said that it could and would be done even though he realized that the means were not clear at the moment nor even, to be quite accurate, remotely in prospect in the immediate future. I took this to be one more evidence of the unbounded and often unrealistic optimism and overconfidence which characterize Partisan attitudes. It is fair to say, nevertheless, that from my contact with him, I judge Tito to be less susceptible to this type of unrealism than most of his officers; that he did say that he knew for the present he would have to depend on a relatively small trickle of supplies which came to

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him from the air; and that this same spirit which shows itself in Partisan conversation as boastfulness is probably no small part of the spirit which, in their most hopeless moments, enabled them to continue their resistance and somehow survive.

L. OVER-ALL ESTIMATE OF PARTISAN  
MILITARY SITUATION

It seems unlikely and practically impossible that the Partisans are in a position to accomplish any of the following three military objectives:

- (1) Drive the enemy from their country.
- (2) Prevent the enemy from withdrawing from their country.
- (3) Annihilate the enemy from within their country.

The Partisans are in a position to harry the enemy at many points and to influence the enemy situation by making it more difficult for him to do the things he wants to do -- more difficult to enjoy the material resources within the country, more difficult to move troops and supplies around within the country, more difficult to maintain troop strength and morale since enemy troops are being frequently killed and wounded albeit in small numbers. It is doubtless true also that the presence and strength of the Partisans necessarily increases both the enemy expectation of an Allied invasion and his fear of the consequences of such an invasion. The previously outlined limitations on Partisan activities against the enemy could only be removed by (1) the Par-

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tisans being able to be supplied from outside the country regularly and safely by sea rather than by air, (2) the United Nations having the supplies, the ships, the personnel, and the desire to so supply them. Even if both these conditions were met, some re-training of Partisan troops and officers would be needed in order for them to make effectively the change-over from guerrilla tactics to those of regular modern mechanized warfare. There is one other very important factor in the Partisan over-all military situation. This has to do with the difference between the Partisans' present military effectiveness, divided as it is between action against Axis troops and action against collaborationist Yugoslav troops, as against the possible total military effectiveness of a united militant Yugoslav population all concentrated against the enemy and with no disaffected elements collaborating with the enemy. This is one of the principal points upon which military and political considerations about the country converge.

M. ESTIMATE OF SIGNIFICANT CHANGES IN THE  
OVER-ALL SITUATION DURING THE PAST SIX MONTHS

In October, 1943, the most reliable estimates gave the Partisans a total troop strength of between 210,000 and 220,000. The present estimates give them between 290,000 and 320,000. Six months ago the Partisans were much worse off with respect to clothing, arms, and ammunition, since when large quantities of British



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battle dress, boots, captured Italian 6.5 rifles and ammunition from Sicily (all of which items and many others are matters of record at Middle East Headquarters in Cairo) have been sent into the country. Six months ago practically all Partisan communications were by courier. Today there is a certain amount of communication by field telephone and shortwave radio with more in prospect. Six months ago the Partisan army used no rank insignia for its officers. Today they all wear the appropriate insignia. Six months ago the Partisan attitude was that they were fighting for survival. Today they believe that they are fighting for victory. Six months ago the only United Nations representation within the country was scattered representation by British personnel. Today there is a full-fledged Anglo-American mission at GHQ and British and American personnel scattered among the various army headquarters; a full-fledged Russian mission at Partisan GHQ, and the beginnings of an American mission at GHQ. Six months ago the Partisans were just beginning to establish their own mission in Bari, Italy. Today it is a well established going concern in daily communication with Tito and handling such activities as shipping, receiving of wounded, operation of hospitals, training of Partisan personnel, and a variety of other Partisan interests in Italy. These are the main items on the asset side of the Partisan ledger as compared with six months ago. On the liability side they have lost their means of re-

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ceiving supplies by boat at the coast and taking them inland. They have further depleted their resources within the country, and their situation with respect to the health and consequent physical reserve of troops and civilians appears to be appreciably worse.

N. LOGISTICS OF PAST, PRESENT AND POSSIBLE FUTURE  
AID FROM UNITED NATIONS TO PARTISANS

As long as the Partisans continue without means of bringing supplies in from the sea, they will be forced to a continuance of their present type of warfare. Under even an expanded program of supply from the air, they can hope to do little more than keep alive their movement through a steady trickle of the most critical light-weight supplies, of which they stand in need. Since the present air supply program is not enough even to begin to meet their present total needs, it clearly will never be the means of increasing appreciably either their total numbers, or the kinds of equipment they now have, let alone changing their kind of army through the introduction of heavier equipment. When Tito and Iovanovic told me that they would like to raise their strength from 300,000 to 500,000 within the next two months and hoped to do it by air supply, I asked them whether they had figured out the absolute minimum poundage necessary to turn a civilian into their kind of a soldier and whether they had multiplied that by 200,000, which is the

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number of extra soldiers they want to equip, and then divided it by 3,000, which is the total capacity per plan when material to be dropped is packed in rhomboids and containers, which increases the net weight of the material by 50% and brings the figure up to 4,500, which is DC-3 capacity for dropping. They said: "No. How many plane-loads was it?" I said that conservatively estimated, it amounted to 200 plane-loads, which means, based on past performance, that they would have to stop receiving any other supplies by air whatsoever for three months and use the entire existing plane capacity in order to be able to equip these 200,000 troops. I thought, incidentally, that this was an interesting example of so-called Partisan planning.

Even if a secure route to the sea is opened up and held by the Partisans, it is questionable whether there would be any point in bringing much heavy equipment to them. Even though they do not admit it, they neither have nor have access to the necessary fuel and lubricants to operate motorized equipment in any quantity, nor do they have either the training or the facilities to establish and maintain big munitions dumps, repair stations or the other facilities indispensable to the useful employment of heavy war equipment. They could, however, greatly alleviate their present situation through the possession of such a secure route since they could thereby receive a steady flow of more of the same kind of material which they are now receiving in such irregular and inadequate quantities.

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## II. POLITICAL INFORMATION

The Yugoslav political situation is considered here under three headings:

- (A) What seems to be the present Yugoslav political position;
- (B) What seems to be the likely political outcome of this situation, in so far as we can forecast it, and
- (C) To what extent are any or all of the United Nations capable of, or desirous of, influencing this outcome in any way.

### A. WHAT SEEMS TO BE THE PRESENT JUGOSLAV POLITICAL POSITION

The present political situation in Yugoslavia seems to contain what is, at least, a superficial and temporary change from its characteristic aspect over the past many years; but it is not yet altogether clear whether this change will become basic and permanent. All of the sectional and factional differences which have divided and disrupted this area in the past are still present, in a sub-acute but potentially dangerous form, for future revival. The principal religious groups -- Greek Orthodox, Catholic, and Moslem -- are still distinct, individual entities although, for the moment, they are all working apparently harmoniously together under the Partisan banner and for the common purpose of expelling the enemy. Similarly, the regional groups

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such as Slovenes, Croats, Montenegrins, Serbs, and Macedonians are joined together at least temporarily as Partisans. So are the city and country people -- always in the past an important and serious split in the Yugoslav population. On the other hand, and as against this merging of religious and regional groups within the country, the political groups are still numerous and unreconciled. There are at least two kinds of royalists -- a large peasant group who gives a blind and traditional loyalty to the royal dynasty without regard to the merits and demerits of the individual incumbent, and the more politically minded royalists who, by virtue of past commitments or future personal benefits which they envision from the success of the royal party, are plading their efforts back of restoring the King to his throne. There are besides a multitude of individual groups, such as the Bella Garda, Nedic's State Guard, the Rupniks, the Domboran, etc.. Also, there are the Communists, about whom everyone now asks "how close is their tie to Russia and how strictly do they hew to the party line?"; and still further there are the Pan-Slavs, the strength of whose numbers as well as the vitality of whose principles require to be estimated. It has been said that wherever two or three Balkans are gathered together you have the makings of four political parties, and it is scarcely possible to over-estimate the complexities, both actual and potential, of the present Yugoslav situation. Accordingly it is very



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easy, in describing this situation, to become lost in a maze of subtleties and to end up with the conclusion that no conclusion is possible.

Still, certain simple elements do seem to stand out as facts. In the welter of confusion there does seem to be a group, the Partisans, who are numerically greater today than any other single group in Yugoslavia. They do seem to control more square miles of territory at the moment than any other Yugoslav group. They do seem to be more actively resisting the enemy, and with more effect than any other Yugoslav group. They do seem to have been more articulate in announcing and implementing a program of true representative government than any other Yugoslav group, and finally, they do seem to be more firmly knit together and controlled by a single, freely chosen and freely replaceable, leader than any other Yugoslav group.

Tito told me that he believes the future events of his country are foregone conclusions. He believes that his country will emerge victorious from the war, with the enemy expelled and the country one total independent and self-governing political entity. He believes, secondly, that the political constitution of the country after the war will be a people's government with the rights of the individual protected by law. The freely expressed will of the people is to be the sole determinant in all important national issues, the Partisan party presumably continuing in control as the means of expressing the people's will in national

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affairs. Tito is in touch with the Partisan movements in Albania, Greece, and Bulgaria, and he told me that he considers it neither impossible nor undesirable that these countries, and even Rumania, should unite with Jugoslavia after the war in one strong federative whole, with a central federated government.

Tito expressed himself to the writer on the subject of the King and the Royal Yugoslav Government-in-Exile. He said that he was being pressed, through Brigadier MacLean, by the Prime Minister to accept the King and to recognize thereby the King's continuing right to the throne of Jugoslavia. Tito said that he understood the reasons for this British request and the obligations, real or fancied, which the British Government believed it owed to the King and was now attempting to fulfill. He said that personally he had nothing important against the King as an individual. He said, however, that the British request placed him in an extraordinarily embarrassing position. The people of Jugoslavia, said Tito, and the National Committee of Liberation know that the King left his country at a critical time, that he established a costly Government-in-Exile with the people's money, and that he then appointed to this Government men who were collaborationists and traitors, and continued them in office after the Partisans had furnished him with documentary evidence of their treason. Tito said that for any rapprochement to be even remotely possible between the Partisans and the King, the King would have to divest his Government both officially and

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unofficially of a number of individuals who could never under any circumstances be acceptable to the Partisans or the people. The first among these, of course, was Draza Mihailovich. Tito went on to say that even then he was not sure that anything official could be done by the Partisans about the King until after the war, since it had been repeatedly affirmed, and as recently as the second anti-Fascist congress at Jayce on November 28, 1943, that the King could not return to the country until a post-war people's plebiscite had enabled the people to express their desires with respect to the King. Tito's political philosophy seemed to be that he would compromise, for the sake of valuable political support outside of Yugoslavia, with unimportant details of his political plans for his country, but that he would stand firm in support of his plan's main outline -- an outline which is, in his mind, clear and unequivocal.

B. WHAT SEEMS TO BE THE LIKELY POLITICAL  
OUTCOME OF THIS SITUATION, IN SO FAR  
AS WE CAN FORECAST IT

The following prediction on the political outcome of affairs in Yugoslavia carries with it some express limitations which the reader must appreciate. The state of our information about Yugoslavia is very incomplete. Many items which should be known in order to make confident predictions are as yet not in our possession. Therefore, all that is intended here is to predict certain likely results based on the limited information we now

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have. These predictions might be altered in the light of either of two developments: More pertinent information coming into our hands; or new factors, not now present in the situation, being introduced. If, however, things in Yugoslavia stay as they now seem to be, the following results may be expected:

(1) The Partisans will increase their quantitative and qualitative strength in the country, militarily and politically.

(2) The strength of opposing factions will decline, although these factions may never be totally obliterated.

(3) At the close of Axis hostilities with Yugoslavia, the Partisans will control the entire country, even if it involves internal strife and bloodshed to assert and maintain this control.

(4) The Partisans will remain in control for at least one year after the close of hostilities.

(5) There is a good possibility that they will remain in control for several years.

(6) They will fulfill their campaign promises; there will be plebiscites, local committees in an ascending pyramid from villages, to provinces, to regions, to the National Committee. In other words, there will be a representative form of government

C. TO WHAT EXTENT ARE ANY OR ALL OF THE  
UNITED NATIONS CAPABLE OF, OR DESIR-  
OUS OF, INFLUENCING THIS OUTCOME IN  
ANY WAY

Considering Russia first, there can be little doubt that she wants to exert a good deal of influence in Balkan affairs. Since

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there was no military incentive for dispatching their large and important mission to Tito's headquarters, their only reason for doing so could be a desire to follow and influence the conduct of Balkan affairs. It looks as though the Russians will have to depend largely on intangibles such as Pan-Slav bonds, and the admiration of the Yugoslavs for Russian military accomplishments, and the pro-Russian propaganda (spread by the Russian communistic element at the top of the Partisan administration), for their post-war voice in Yugoslav affairs.

According to General Korneef and all other knowledge that we possess about her, Russia is in no position at present to provide material assistance to Yugoslavia. There is good reason to believe that Russia will continue unable to render valuable material assistance after the war.

There is one thing, however, that the Yugoslavs expect Russia can and will do for the Partisans. That is to use her good offices at the peace table, and thereafter, to maintain and insure (a) the political rights of Yugoslavia as a country, and less publicly (b) the dominant position of the Partisans within the country.

England also shows every sign of wanting to interest herself in Yugoslavia after the war. While she does not have the psychological advantages within Yugoslavia which the Russians enjoy, nevertheless she is able to provide wanted political support and a variety of economic helps as well. Furthermore,



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she will be able to point back to her very real participation in the Partisan struggle to survive during the war period, which is certainly more than America can do.

But there is as yet no visible sign that the United States wants to influence the outcome of the political situation in Yugoslavia. However, if we wanted to, all the avenues are open to us which are now open to Russia and England, and in certain respects they are more open to us than to either of these two countries.

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### III. ECONOMIC INFORMATION

#### A. PARTISAN RESOURCES

Although Yugoslavia is unusually rich in natural resources, the war has almost destroyed her ability to obtain any current yield from these resources. Hence, she is alarmingly short of every kind of consumption goods, both necessities and luxuries. Nor is there any reason to believe that she will be able to alter her position in this respect during the next few months. Since the country is rich in natural resources, its problem both now and after the war is one of manpower, skills and machinery. Her manpower has been seriously depleted. Probably no less than 12% or 14% of her useful employables have been killed so far during the war; and the post-war effectiveness of the remainder of her employables will be seriously affected by malnutrition, hardship, disease, and the other damaging concomitants of protracted and severe war conditions. Furthermore, even before the war modern machinery was scarce in Yugoslavia, industrial skills were at low level, and conditions were far from favorable for the improvement of either of these defects. Therein seems to lie the most promising single element in Yugoslavia's post-war outlook. Whereas her total population strength has been seriously depleted by the ravages of war, she may approach her post-war economic reconstruction problems with attitudes on political organization better cal-

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culated for quick rehabilitation and industrial efficiency than conditions obtaining prior to 1939.

As has been said, Tito plans (if he is in power) to re-establish immediately the country's agricultural activities, so that the population may have the means of subsistence during the ensuing period when, through the introduction of training and machinery, he hopes to industrialize the country and tap its natural resources. Now in preparation within the country are lists of the actual physical destruction that has taken place during the war, how much machinery has been destroyed and of what kind and where, how much of their communications and transportation facilities have been destroyed. All of the necessary elements of a physical inventory -- what they had on hand before the war and how much they have lost -- are now being worked on and should be available in the next few months. Other economic data necessary to an appraisal of the Yugoslav balance sheet on resources of all kinds are in contemplation; and it is expected that, under qualified Allied advice and guidance, these calculations will be made and reported out of the country.

#### B. PARTISAN REQUESTS FOR MATERIAL ASSISTANCE

Partisan requests for immediate assistance are divided into military needs and civilian needs. Partisan requests for post-war assistance are divided into immediate post-war relief and

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subsequent post-war rehabilitation. There is this to be noted: Tito asked me emphatically, and more than once, to convey to the United States Government his desire, and that of the National Committee, that whatever material assistance we give to the Partisans should be recorded under Lend-Lease procedure and will be repaid under these procedures by the Partisans. Tito stated that even if the United States were willing to supply material ex Lend-Lease and without any expected payment in return, that would be distasteful and unacceptable to the Yugoslav people.

C. FUTURE REQUESTS FOR MATERIAL HELP WHICH  
MAY BE EXPECTED FROM THE PARTISANS

The Partisans would like to think that they exemplify the self-help school of economics and that their requests for help will be kept within modest limits and less than their known needs might suggest. Their ultimate total requests may bulk small compared to the same situation in other countries; but there is every indication that they have been so looted and despoiled that even minimum estimates of the help they would like to get from somewhere will probably amount to no small figure. I think the amount they will need to keep them alive will actually be very small because they will need to be tided over only between harvest seasons. Their soil is rich, their harvests are almost always good, and after one peace-time

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harvest, if they can reap their crops unmolested by the enemy, they will almost surely pass the actual survival period. Anything that any country might want to do in material help for them after that time will be in the nature of raising their standard of living either medically or in other ways.

It seems to me hard to set down any estimates along these lines that are worth anything at all, since the amounts will depend on whether you want the average Yugoslav to be able to live in American terms at a 200, 600, 1,000 or what-not dollar level a year. It is also hard to estimate their needs in terms of a profitable investment for the country supplying them, since it is hard to say whether their mines and timber or other economic assets will be equally rapidly developed after the war, and there are various other uncertainties as to which of them would be an attractive investment. There is, in the case of the United States, the further question of whether we as a government have any interest in any investment or economic trade concessions in Yugoslavia or whether we prefer to leave it to the initiative and individual option of private capital. To summarize, the post-war efforts necessary to keep the Yugoslavs from dying of famine or epidemic are probably small both in personnel and material. The efforts necessary to put them on the economic map, and give them what we call a decent standard of living, are undoubtedly considerably greater and very hard to estimate. The desirability of doing the latter depends as much on political as



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on economic considerations, and even the economic answer would require considerable further study before it could be determined.

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#### IV. PSYCHOLOGICAL INFORMATION

The Jugoslavs are predominantly an agricultural people. They are sturdy, independent, close to the earth, illiterate, opinionated, and intensely factional. They respect technical skill and accomplishment in others but on the whole think that there is nothing that they can't do at least as well as anybody else, given a fair chance. This last seems to be a basic and universal characteristic, and I am not sure but that it would be more accurate to say they think there is nothing they can't do better than anybody else. This provides a striking contrast with their actual present and pre-war situation, where, in point of fact, there was practically nothing that they did as well as anybody else. Neither in the arts nor in the sciences have they made any noteworthy mark and, in fact, their only known claim to preeminence, up to the present, lies in their constituting the most successful resistance movement in Europe, a circumstance which may be attributed more properly to their indomitable will and their not knowing when they are licked rather than to a special skill of any sort. I believe that to talk of their being past masters in the art of guerilla warfare is to give an altogether misleading picture of what they are really doing. Actually they hide out in the mountains and forests in what seemed to me to be a fairly crude and obvious way. They sneak out and fall upon the enemy whenever they think they can pull off a surprise,

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and they run when they think the enemy is after them. The annoyance and damage that they may have occasioned the enemy has been, if my description is correct, the result of persistence rather than any uncanny cunning.

In addition to the elements in the Yugoslav psychological make-up so far mentioned, they have at least two other predominant characteristics: They are great enthusiasts, unselfconscious, exuberant and yet capable of protracted enthusiasm which evinces itself as the fierce loyalty which they have historically shown to many causes. They are also great and invincible talkers, who will argue 'til Doomsday about anything and everything. I was never quite able to make up my mind in talking to dozens of them whether this was the symbol of real native intellectual curiosity or simply a manifestation of the psychological fact that they would rather talk than eat.

I realize that it is always dangerous to generalize about a large number of people, as I have above, but enough of them seemed to have the qualities I have described to make them more or less common denominators.

There are besides perceptible regional characteristics which seem to some extent to be substantiated by their recorded behavior. Dalmatians seem to be a mercantile people, distinguished for seafaring, trading, pen-pushing and office work, and rather soft as soldiers. The Eighth army corps, made up mostly of Dalmatians, is looked down upon by the rest of the

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army and said to be a push-over for any good troops. The Montenegrins are said to be the fiercest fighters, and the Serbs the best disciplined and most effective troops.

Arising out of these psychological characteristics are certain fairly definite and wide-spread attitudes and types of behavior. They all really fiercely and passionately want to re-establish the independence and to strengthen the position of whatever faction they are identified with. They all have practically no intellectual sophistication, intellectual tolerance, or much inclination to give and take with respect to modifying what ideas or desires they possess. The Partisans, for instance, appear to stand for tolerance by professing respect for the rights of the individual, but it is a peculiar kind of tolerance which, I think, means merely that even the Partisan thinks that any individual who disagrees with him is wrong but the Partisan, like Voltaire, will protect to the death another man's political right to be wrong. All of this means, I take it, that Jugoslavs will prove in the future, as they have in the past, to be very intractable and hard to influence with regard to their basic ideas and characteristics. They are, however, very amenable in two other respects: They are easily influenced in opinions and attitudes which they do not regard as basic and, since they are a people of quick and genuine gratitude, they have a ready responsive chord for either friendly and sympathetic treatment or, if they do not suspect

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you are trying to bribe them, for material assistance. I am sure that most of them hope desperately for a better country after the war and that by this they mean something more than just individual material advantage for a given man or group of men. It seemed to me that very few of them had any idea of how this better state would be brought about; and when they give their political loyalty to any particular group, it is more likely to be for reasons of religion or bonds of kinship than because the group has a reasonable policy which seems to promise a better organized country. Only among the Partisans did I find any evidence of a post-war thinking but even with them I felt that the loyalty they commanded was more of an emotional than an intellectual manifestation. I did not get any feeling about the Yugoslavs that they were mentally dull or incapable of education. I did get the feeling that they were people of considerable character if, by character, you mean an apparent consistent ability and willingness to live up to principles. From that standpoint, they seemed to me to be on the whole a moral people whose promise was to be respected. Those I talked to seemed trustworthy. It must be evident from everything I have said that I believe that their will to resist will not be soon subdued, if ever.



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APPENDIX

1. Tito

Tito is about 51 or 52 years old. He is about 5 feet 7 inches tall and weighs about 160 or 165 pounds. He is more fat than heavy set but still capable of considerable physical exertion. He is known, for instance, as one of the fastest walkers in the Partisan Army. He wears gold and horn rimmed spectacles, has grayish black hair, is swarthy, dresses meticulously and with a suggestion of vanity, seems to like his comforts and eats and lives in astonishing luxury considering the conditions in his country. He is not impressive to meet in that his manner is mild, restrained and with a suggestion of quiet humor rather than exhibiting any of the dominating or overbearing qualities that characterize some of the men in positions corresponding to his.

His approach to most problems is dispassionate, analytical and rational. He gave me the impression of a man of clear thought, who knew what he wanted and why, and who was forceful, courageous and skillful in striving for these ends. He inspires the best kind of loyalty among his followers who regard him as a friend as well as a leader.

In spite of his known affiliation with Russian communism, most of the population seem to regard him first as a patriot and the liberator of his country and only secondarily as a communist.

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It is hard to guess how he is going to resolve the possible conflicts which may arise between the national interests of Yugoslavia and the official objectives of the communist party, of which he is a long time enrolled member. For whatever it may be worth, my own guess is that if he is convinced that there is a clear cut choice between the two, on any issue, his country will come first. Tito has an interest in but apparently little knowledge of a wide range of subjects affecting the future of his country. He is interested in political, economic, ideological and cultural problems, but his ideas on these subjects did not seem to me to be very sophisticated.

I did not get much dependable information about Tito's personal history. Here are a few of the items that were passed on to me, but for their authenticity I cannot completely vouch: He was for 20 years a member of the communist party working in and out of Russia. He spent the years from 1929 to 1932 in jail in Zagreb on charges of conspiring against the government. I think the alleged conspiring was simply a normal part of his spreading of communistic propaganda. For a couple of years before the war, he was a communist labor organizer and agitator, working mainly up and down the Dalmatian coast where he organized one or two large strikes. He either fought or asked for permission to fight on the Communist side in the Spanish war, I was unable to make sure which. After the capitulation of the Royal Yugoslav government to the Axis, Tito used the communist secret machine,

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which was fairly well organized in Yugoslavia, as the nucleus for the new resistance movement. For a considerable period of time his headquarters was in Montenegro; and when the Germans encircled him there, he and his entire army broke through the encirclement and moved a considerable distance northward, traversing northern Serbia and ending up by establishing their headquarters in Bosnia, which is now the heart of the movement. Tito was wounded at least once, has taken part actively in the operations of his troops many times, is regarded by his followers as a soldier and a skilled military leader. His real name has been reported to be Josip Brodz. Tito speaks, in addition to Serbo-Croat, fluent Russian and German and bad French. He reads English readily but does not understand it well when it is spoken.

Tito seems to me to be a man of character with a good deal of sensitivity and untrained intelligence who might or might not have commanded a position of top responsibility in some of the more civilized portions of the world, and stands head and shoulders above any of his compatriots with whom I talked.

## 2. Sreten Zujovic

Zujovic is a member of the National Committee of Liberation and their representative in charge of communications. By communications is meant, in this case, communications and transportation. Zujovic is said by a number of Partisans to be the brainiest man in the movement next to Tito and the most likely choice for Tito's successor in the event of anything happening to Tito.

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I was told that he has been actively identified with the communist movement for the past 30 years and, as a result of these activities, in and out of prison with monotonous regularity. He is tall, Slavic looking, and is certainly quite a bit more impressive in appearance than Tito. He speaks excellent French and, I believe, a number of other languages. I got to know him less well than any important Partisan with whom I had any contact. This was partly owing to his manner, which is considerably more reserved than most of the other Partisans, and partly owing to the fact that I made a mental note to spend more time with him and then never got around to it.

He is said to have great organizing ability. When General Ilic, through what was said to be unusual incompetence, got the Eighth army corps headquarters into a terrible snarl, Zujovic was the man who was sent down there to straighten it out. Ilic was removed and Zujovic was reported to have had the whole organization back in smooth running order in six weeks and to have left a colonel in charge there who has kept it running well ever since.

### 3. General Arso Iovanovic

General Iovanovic is Partisan Chief of Staff. Tito says that Arso may be politically inept but he is a good tactician. The British are less flattering in their estimate of him. In the considerable number of hours that I spent with Arso, I saw no evidence of either of these qualities (that is, above average

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skill in tactics and below average skill in other fields). When he discussed military affairs and tactics with me, he was obviously on the subject which aroused his enthusiasm but his comments did not seem to me to be brilliant. On the other hand, when we talked other subjects, such as economic needs, he showed very little interest but seemed adequately intelligent about them. He speaks a little limping French and, so far as I know, no other foreign language. He seems outstanding, even among the Partisans, for his obvious zeal for the cause and is quite probably one of their most loyal and most useful officers. He works all hours of the day or night, takes care of all of the routine liaison with the various mission representatives at Tito's headquarters, and seems to have a pretty detailed knowledge, as indeed he should have, of Partisan military affairs.

#### 4. Milutin Milutinovic

Milutin is a member of the National Committee and their representative for economics, supply, trade, and temporarily for finance. Milutin is an "intellectual", with glasses and a straggly, black mustach. Colonel Lach told me he was no soldier but had done a good job of keeping the Partisans somehow supplied with at least a part of what they needed. When I first met him, he strung off to me quite a lot of figures out of his head -- how many kilos of corn such and such a township



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supplied in such and such a month, the proportion of livestock to population in certain townships, etc. He was friendly, obliging, easy to deal with and obviously a storehouse of petty detail. When it came to discussing his field in any larger terms than an inventory of needs, his ideas seemed to me to be superficial and ill-formed. I understood that before the war, he was some kind of a teacher of economics.

5. Lieutenant Colonel Kraus

Kraus, deputy chief of the Partisan medical corps, is a small dark, stooped-over individual with glasses. Everyone who dealt with him including myself considered him to be poorly equipped for his job. Professionally, I am under the impression that he is no credit to the organization nor help to the problem. I understand that the Partisan medical chief, whom I did not meet, is an altogether different type of man and in all ways the opposite of Kraus.

6. General Popovic

General Popovic, commanding general of the First army corps, is said to be the best general now in command of an army corps in the Partisan army. He is certainly outstanding in personality and in the impression he makes on first meeting. He is a man of dignity, charm, sophistication and considerable knowledge. He is credited with having the best corps in the Partisan army and is widely respected and liked by both the Partisans and the

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personnel of the missions. I thought he was a pretty first-rate individual in any league. I would guess, however, that he doesn't qualify as a potential successor to Tito because I think he is a man of judicial and philosophical turn of mind, who is forceful and militant in his conduct of military duties, but who probably would not be willing to engage in all the other miscellaneous dog fights inherent in a position of political leadership. I think he is a man of strong, definite ideas but has neither the inclination nor the drive to try to force them on other people except in an emergency, such as the present one.

7. Velebit, Lach, and Savic

There are three officers who have been used by Tito as Partisan liaison officers with British and American personnel. They are Colonel Velebit, who was the first liaison officer for the MacLean mission; Colonel Lach, who is the present one; and Major Savic, who is a kind of pinch-hitter. Velebit talks English, French and German and is a communist. Lach talks French and German and is a career soldier. Savic talks French and was before the war a leading radiologist, working in Paris for Madame Curie. Savic I don't know very well. Lach is extremely nice, very willing but not too intelligent. Velebit is very intelligent, enjoys great prestige in top Partisan circles, and despite being the son of a rich family became converted to

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communism. Although not a very forceful personality, he may occupy an important position in the future with the Partisans. The British like him very much and would like to continue to deal with him.

8. Others

There are perhaps half a dozen other top Partisan officers who form part of the permanent group around Tito, all of whom I met and some of whom I talked to. I have some little further information available about them, but they seemed to me to be of considerably less importance than the officers described in the foregoing.

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file* →

10 May 1944

Miss Grace Tully,  
The White House,  
Washington, D. C.

Dear Grace:

Would you be kind enough to place  
the attached memorandum before the President?

Thank you.

Sincerely,

*Bie*

William J. Donovan,  
Director.

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E. O. 11652, Sec. 8(E) and 5(D) ex-2

CIA Hr 11/27/74

by

*WBS*

Date DEC 4 1974

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

10 May 1944

MEMORANDUM FOR THE PRESIDENT

Here is a report sent to me by one of our representatives on statements made by the Ban of Croatia on his departure for England:

"On Friday morning, May 5, 1944, I saw the Shepherd and asked him to summarize his present views about the Yugoslav situation, pursuant to the request made by General Donovan during the conference he had with the Shepherd on Wednesday, May 3, 1944. The Shepherd, due to lack of time (he was departing that afternoon), outlined briefly his present views about the situation to me orally as follows:

"The Yugoslav crisis is due primarily in his opinion to the utter weakness of the present government. His advice, if sought by the King, will be to suggest the formation of a strong government under the King. By a strong government he said he meant, first, that the mem-

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bers of the Cabinet must be outstanding, trustworthy persons who are good Yugoslavs and not extremists who have at heart the interests of Serbs, Croats or Slovenes only; second, that the strength of such a government can be only secured if it is wholeheartedly supported by the United States, Russia and Great Britain.

"The great mistake in the past has been that the Allied governments, because of the weakness of the Yugoslav governments-in-exile, dealt directly with General Mihailovic and Marshal Tito. It was a grave mistake to designate General Mihailovic as Minister of War. He should never have been permitted to jeopardize his position as a soldier and military leader by placing him in a political setup. The very same mistake was made with regard to Marshal Tito. The Allies dealt directly with Marshal Tito and thereby encouraged the political aspirations of Tito to set up a government in Yugoslav proper.

"The Shepherd believes that if a strong government is set up the first task would be to relegate Gen-

- 3 -

eral Mihailovic and Marshal Tito to their legitimate tasks, namely, military commanders of the resistance forces within the respective areas controlled by each one of them separately. The only effective way to bring about such a situation would be for the Allies to give all military assistance and supplies through the government only. The government should be the sole judge, after consultation with the military command of the Allies, as to how much aid should be transmitted to Marshal Tito and to General Mihailovic. The amount of aid would depend upon the degree of resistance exercised by Mihailovic and Tito against the common enemy. The Shepherd believes that the British went too far in dealing with Marshal Tito directly, thereby encouraging him greatly to attempt at this time to establish and perpetuate a political setup for the future.

"The question of the future form of government of Yugoslavia must be postponed until after Yugoslavia is completely liberated from the enemy. Nobody

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at the present time, because of the prevailing conditions, can know exactly the feelings and sentiments of the Yugoslav people, Serbs, Croats and Slovenes. The most important task at present is to form a strong government with the full support of the Allies in order to unite all resistance forces in Serbia, Croatia and Slovenia, with the aim of rendering all possible assistance to the Allies in defeating the enemy. Furthermore, the task of such a government would be to insure to the people of Yugoslavia, after it is liberated, the opportunity to express freely their will as to the form of government they prefer and not to afford politicians and 'political speculators' an opportunity to perpetuate their power and selfish interests in post-war Yugoslavia.

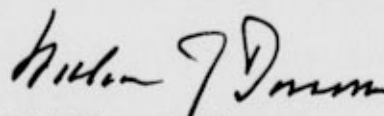
"The Shepherd is of the opinion that a federated democratic Yugoslavia is to the interests of the Serbs, Croats and Slovenes and, furthermore, he believes that Bulgaria could in the future join Yugoslavia in a federation, provided the people of Bulgaria wished it to be so.

"The Shepherd reiterated that he is only too

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cognizant of the tremendous role that the United States will play in the post-war era. He knows that the United States is second to none of the Allies in its objective approach towards Yugoslavia. He is, therefore, anxious not to do anything that does not have the complete approval of the United States Government. He likewise feels that the future of Yugoslavia can be secured only if there is a concerted action and understanding between the three great Allies with respect to Yugoslavia.

"Finally, the Shepherd stated that if a strong government is now formed, it must seek, as stated above, by exercising its authority, to consolidate all resistance forces throughout Yugoslavia in order to achieve the maximum effort to conquer the enemy. Furthermore, it must avoid at all costs the possibility of a revolution or civil war in post-war Yugoslavia, for that would only add horrible hardships to the people of Yugoslavia, who have paid so heavily already in lives during the last two years."

  
William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES

WASHINGTON, D. C.

22 May 1944

file 7

22 May 1944

Miss Grace Tully  
The White House

Dear Grace: I am attaching a highly secret re-  
port on the Yugoslav situation in which I know the President is interested. Will you please see that he gets it. Thank you.

Sincerely,

*Donovan*

William J. Donovan  
Director

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By Authority of CIA, 007622

letter of 6-26-73

By SR Date JUL 6 1973

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By Authority of

letter of 6-26-73

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a.c.s. Ladd (L.B.)

**TOP SECRET**

**OFFICE OF STRATEGIC SERVICES**  
**WASHINGTON, D. C.**

22 May 1944

**MEMORANDUM FOR THE PRESIDENT**

The following report of the meeting on 21 May between the Ban of Croatia and Mr. Churchill was prepared for me by my special assistant, Mr. Bernard Yarrow. You will recall that we have had Yarrow with the Ban for something over a year, and before he left a week ago I sent you a copy of a statement from the Ban prepared just prior to his departure.

In view of the secrecy maintained by the British on this conference, apart from this report to you, I am having only the Secretary of State advised.

As can be seen from the report, the Ban has great confidence in Yarrow's judgment and advice, and we would not want to jeopardize the opportunity for future intelligence which we may be able to obtain for you by giving this report circulation now.

"The Ban informed me yesterday that he had

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letter of 6-26-73

By SR Date JUL 6 1973

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received a telephone call from Churchill's secretary, requesting him to have dinner with Churchill at the latter's country place. An appointment was made to take him by car on Sunday, 21 May, at eleven A.M. The Ban was accompanied by Mr. Stevenson, British Minister to Yugoslavia.

"They arrived there about noon. The following guests were present:

The Prime Minister of Holland  
The Prime Minister of Australia  
British Major General Hailes  
Two distinguished British Lords, whose  
names the Ban could not remember.  
Captain Thomsen of the Royal Navy  
Mr. Stevenson, British Minister to Yugoslavia.

"At one o'clock, Mr. Churchill joined them and during the dinner he had the Prime Minister of Holland seated at his right and the Ban at his left. Addressing his guests and pointing to the Ban, Mr. Churchill said: 'I want you to meet the next Prime Minister of Yugoslavia.' Noticing the expression of surprise on the Ban's face, Mr. Churchill said to him: 'Why, don't you know that you are going to

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be the Prime Minister of the new Yugoslav Government?' The Ban replied: 'The King consulted with me regarding the formation of a new Government but has not as yet informed me of the fact that I am to be the Prime Minister of that Government and that I will be entrusted with its formation.' Mr. Churchill then said: 'Why of course. That is the reason I asked you to come here.'

"During the dinner, the guests had a discussion about the general war situation, and about three o'clock Mr. Churchill invited to his study the Prime Minister of Holland, who spent about fifteen minutes with him.

"Thereafter he called in the Ban with Mr. Stevenson and they had a lengthy talk about Yugoslavia. Mr. Churchill stated as follows: That the Ban is to form a new government which will be regarded as the only legitimate Government of Yugoslavia under the King; that the government must be formed with all

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By SR Date JUL 6 1973

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possible speed within a day or two; that he consulted, of course, with the President of the United States about the formation of this new government under the premiership of the Ban and was assured of his complete approval.

"Turning to the Ban, Churchill then said: 'You will form this government and I assure you that Great Britain and the United States will regard yours as the only government of the Yugoslav people, and within four or five weeks you will get all the support and assistance we can possibly render to your country to increase its resistance to the enemy.' He further stated that he regarded the Ban as a person who is thoroughly familiar with the people and the problems of Yugoslavia and asked him to assume control and to pursue energetically the policies outlined by the Ban of a united, democratic, federated Yugoslavia.

"Churchill further added: 'We shall continue to have friendly relations with Tito because he is

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conducting a vigorous campaign in Yugoslavia, but we shall look to you and your cabinet as the only legitimate government of Yugoslavia.'

"Churchill informed the Ban that he had informed Tito that, if he is in favor of the new government, his support will be very welcome, but at any rate he must refrain from attacking it and thereby disrupting the earnest attempt which will be made by the new government to unify Yugoslavia.

"The Ban then pointed out to Mr. Churchill the various difficulties inherent in the present Yugoslav situation, and that King Peter had asked him to explore the whole situation with the Russian Ambassador in London. The Ban asked Churchill's advice on that point.

"The Ban stated that because of the keen interest manifested by Churchill and the President in the welfare of the Yugoslav people, he felt obliged to consult him as to what steps he could take to

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letter of 6-26-73

By SR Date JUL 6 1973

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gain the support of the Soviet Government. Mr. Churchill replied that Great Britain and the United States will give all support and assistance to the new government headed by the Ban, but he frankly did not know what the attitude of Stalin would be. He expressed the hope that the USSR will join with England and America in giving whole-hearted support to the new government but had no information on that point up to the present.

"In conclusion Mr. Churchill told the Ban that in the event he has any difficulties he should come direct to him or to his Secretary for Foreign Affairs, Mr. Eden, whom he could consult whenever he has any problems. Mr. Churchill was exceedingly anxious to have the new government formed of a limited number of outstanding leaders of the political parties as outlined by the Ban in his memo to King Peter. He recommended that upon forming the new government, the Ban should issue a declaration setting forth its new policy and the principles by which it

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Letter of 6-26-73

By SL Date JUL 6 1973

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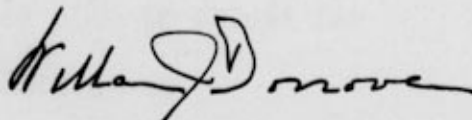
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will be guided.

"At about 4 in the afternoon, he bade leave to the Prime Minister and left, satisfied that the British government and the government of the United States have the interest of the Yugoslavs very much at heart.

"On the way home Mr. Stevenson spoke to the Ban about the conference with Churchill. The Ban pointed out to him that whereas the Prime Minister took it for granted that he is the future Premier, the King has not advised him as yet that he is entrusted to form the new government. The Ban then said that he is contemplating calling King Peter tomorrow, Monday, May 22nd, and informing him of the conference with Churchill so as to bring the matter to a head.

"The Ban is meeting Mr. Eden on May 22 at 3 P.M."



William J. Donovan  
Director

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By Authority of CIA, 007622

letter of 6-26-73

By SR Date JUL 6 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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E. O. 11652, Sec. 3(E) and 5(D) or (E)

CIA Hr 11/27/74  
By *DRS* Date DEC 4 1974

*file*  
14 June 1944

MEMORANDUM FOR THE PRESIDENT:

Having just returned from the beachhead in France, I hope that you might find it of some interest to get certain conclusions based on my observations there.

I went over in the Tuscaloosa which was the flagship of Admiral Deyo, who is doing a fine job as commander of the naval bombardment forces. I feel certain of the following conclusions:

1. The success of the landing as a whole shows certain fundamental weaknesses in the basic German position. These weaknesses are not only psychological; they are material and physical. It was clear that the Germans had neither the resources nor the capabilities to meet the attack at every possible landing beach. We talked to prisoners at the Utah Beach. One

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of them, a Captain of the regular service, said that he was overwhelmed when he saw the ships coming in and then felt that he wanted to be identified with a movement that seemed so powerful and so efficient.

2. The presence of so many foreigners in the German forces was indicative of the same kind of difficulty that Napoleon had in Russia, as well as at Waterloo. Many of the Poles in the ranks of enlisted men were looking for an opportunity to escape.

3. All these various elements of disintegration, spiritual as well as physical, might result in a speedy breakup of the whole German defense if we can sustain an accelerated military pressure.

4. After the initial landing, we lost our momentum. If it is not regained and reaccentuated, there can be a reconstituting of the elements that make for disintegration.

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5. Everything that I saw made clear that the Germans no longer have an Air Force that belongs in the Big League. They were able to have bombers over us at night and to send over some fighter bombers in bombing missions during the day, but our intelligence showed us that planes hurriedly brought in from Germany were in a very poor state of serviceability.

6. Also, the E-Boats which attacked us were, like the planes, not the operations of a great power.

7. One thing that struck me was the very slow reaction of the Germans in counter-attack. To me that seemed due to the measures of the Resistance Groups, but, more important, to the work of our Air Corps in the destruction of bridges and oil installations. Our intelligence showed that the present German needs for oil are 1.2mn. tons a month and that present monthly production is 1.0mn. tons. With active fighting in the East,



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their monthly consumption would rise to 1.4mn. tons. General oil shortage has not yet impaired mobility of ground forces in N. W. Europe. Constriction of mobility has been due to improved tactical bombing program - bridges, supply dumps, motor transport. However, strategic attack on oil target system could readily reduce output to 600,000 tons per month. With activity in East and West, available enemy reserves could bridge the gap for two or three months at the most. This makes oil targets almost a front line target.

Two things particularly impressed me from our side. They were the following:

A. The tremendous effect that the radar counter-measures had in giving us initial advantage. I saw for myself the effect of jamming guided missiles and the detection of attempted counter-measures by the enemy.

B. The tremendous development in precision firing of our naval guns. The navy guns performed

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- 5 -

the duties not only of field guns but of railroad guns. It is in reality like corps artillery. I think it is probably true that never before has it been attempted to silence with naval gun fire so elaborate a system of coast defenses as here. After the first day the great block of firing was on targets requested by Signal Force Control Parties both to break up threatened counter-attacks and to prepare the advance of our troops. The Nevada, operating close inshore and threatened by a great number of small and medium batteries, performed with the greatest gallantry and effectiveness. She succeeded, with her fourteen inch main battery, in breaking up a serious counter-attack which was forming the night of D-day north of Carentan, consisting of armored troops and artillery.

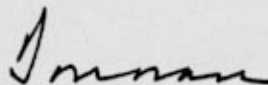
All of this demonstrated to me the tremendous strides that have been made which are scarcely appreciated by those who have not observed closely the new equip-

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ment and technique of naval gun fire. With the excellent fire control and navigation equipment, not only can the naval forces be used as artillery in placing troops ashore but for protecting them from enemy artillery while expanding the beachhead and assisting them in all defenses until they are beyond range.



William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

15 June 1944

*file* ↗

MEMORANDUM FOR THE PRESIDENT

I had prepared a memorandum for you on my talks with Admiral Fenard in London, who told me that he was there at your instance on the de Gaulle matter. Before I sent it, Mr. Stimson called me, and since talking with him I have torn up that memorandum. In view of the questions raised by Mr. Stimson, I think it my duty to tell you what I said to him concerning my position.

I told him that our intelligence clearly showed that there were many people in France, particularly those in the Maquis resistance groups, who did not like the Algiers set-up. I said also there were many who did not look with favor upon de Gaulle as a political figure. However, I told him that in view of the present situation, there were many in the resistance groups, whatever their view of de Gaulle as a political leader, who thought it advisable to have him in France now as a

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By SR Date JUL 6 1973

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symbol of resistance.

Mr. Stimson then asked me my opinion as to what should be done regarding de Gaulle's claim that his Committee should be recognized as the provisional government. I told him that I thought it was right to refuse the demand of the de Gaulle Committee for recognition as the provisional government unsanctioned by the approval of the people of France. I did say, however, that there was danger that in France, as well as in England, it would be made to appear that it was your dislike of de Gaulle that prevented this recognition and that this should be avoided. In reply to Mr. Stimson's request for my suggestion, I said the following: We should keep in mind the admonition of Mr. Justice Holmes that "the elements need eternal repetition". Occasion should be taken now to clearly set forth the manner in which we would deal with the liberated areas.

In doing that I thought we ought to put the military situation at the forefront and full recognition should be given to de Gaulle as a military leader under Eisenhower. This was particularly necessary since already formal recognition had been given to General Koenig

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Letter of 6-26-73  
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as the leader and representative of the resistance groups at our High Command. Having given this recognition to General de Gaulle and making the fullest use of him as a symbol of resistance, it could then be stated (as I think you have already done) that General Eisenhower would consult with him as to the selection of individual administrators in the various regions. This consultation would not carry with it his recognition as head of a provisional government. By drawing a clear distinction between the military and political side of his status, I think that we will make the matter clear.

My experience at the bridgehead, as well as in England, convinces me that in order to avoid any misconception of your view by the French or British people, it is important that there be some affirmative statement made now; and this is true even though it does reiterate and restate those elemental things that you have said so many times.

Such a position would appeal to the ultimate logic of the French people and they are the ones whom I think you would wish to address.

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letter of 6-26-73

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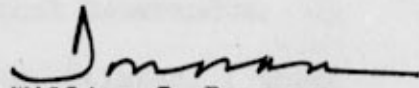
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We thus clearly define the distinction we make in de Gaulle as a political and military leader; and while we recognize him in his military capacity, we leave it to the French people to determine his political position.

Separately I am sending you a compilation of our intelligence reports on the political situation in France.

  
William J. Donovan  
Director

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By Authority of CIA, 007622  
letter of 6-26-73  
By SR Date JUL 6 1973

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file  
confidential*

18 June 1944.

15 June 1944

MEMORANDUM FOR THE PRESIDENT

Miss Grace Tully, call that the Secretary of State  
The White House.

Dear Grace:

I am attaching a memorandum which  
I believe will be of interest to the President.  
Will you please hand it to him? Thank you.

Sincerely,

*Bill*

William J. Donovan

Reconnaissance to determine the extent of the  
damage has since been made by our people who advise that  
the interruption of traffic caused by these actions lasted  
until the bridges were repaired which took four days in

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E.O. 11652, Dec. 1950 and 1951  
CIA 11-7/27/74  
by BRS Date 11-1-84

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

18 June 1944

MEMORANDUM FOR THE PRESIDENT

*John D. ...*  
Director

You will recall that the Secretary of State asked us to undertake operations to interrupt shipments of chrome. The first operations have been undertaken with the result that on May 29th and 30th, two railway bridges across the Maritsa River were destroyed by representatives of our organization. One of these bridges was near Svilingrad in Bulgaria and is described as the largest bridge over the Maritsa in that area. The other was 12 kilometers east of Alexandroupolis (Dede Agach) in Greece. The main railway line from Istanbul to Sofia passes through Svilingrad; the only alternative rail route passes over the Alexandroupolis line.

Reconnaissance to determine the extent of the damage has since been made by our people who advise that the interruption of traffic caused by these actions lasted until the bridges were repaired which took four days in

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CIA Hr 11/27/74

By *WPS*

Date DEC 4 1974

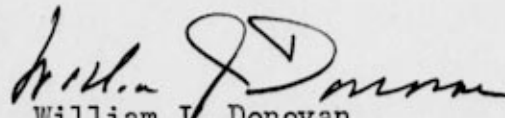
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the case of one and two weeks in the case of the other.

Further operations are contemplated.

  
William J. Donovan  
Director

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

19 June 1944

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*file*

19 June 1944

Miss Grace Tully  
The White House  
Washington, D. C.

Dear Grace:

I am attaching a memorandum which  
I believe will be of interest to the President.  
Will you please hand it to him? Thank you.

Sincerely

*Bill*

William J. Donovan  
Director

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Date MAY 15 1974  
By CIA Htr 007222

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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19 June 1944

MEMORANDUM FOR THE PRESIDENT

Our Bern representative has recently sent us reports relating to the Comité National des Corps Elus de la République. The source of the material, whose reliability is rated very highly, has had a great deal of army, political and business (railroad) experience under the Third République. Although you may already have read some of this material (it has been made available to Admiral Leahy and the White House Map Room), because of its relevance on the de Gaulle problem, I pass a summary of it on to you without comment.

The Comité is a resistance movement headed by fourteen deputies and senators under Laurent-Eynac, a former Senator. The backbone of the Comité consists of 300 parliamentarians chiefly drawn from the Radical Socialist party. It considers itself the constitutional representative of France until elections can be held, basis, resistance to arbitrary government (left or right) and avoidance of civil war.

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basing its claim for recognition on the fact that it represents the majority of the known anti-collaborationists who were elected representatives. The Comite National accepts de Gaulle as chief of the army and is ready to place all its influence in his hands to liberate France. It would even be willing to have him set up a temporary government (under appropriate controls) for the purpose of holding elections in the event that he reaches France as the army head.

The Comite has locals in Brittany, Normandy and the southwest of France, and new locals are being established in the east, north and Paris regions. It is in close touch with the Conseils Generaux and Municipaux in considerable areas of France. It asks that Louis Marin be considered its representative and that he be consulted. It stands ready to supply trained administrators and asks that it be consulted on plans for liberated areas.

The Comite has adopted as its platform the maintenance of democratic government, expulsion of the Nazis, resistance to arbitrary government (left or right) and avoidance of civil war.

While recognizing de Gaulle as head of the army, the Comite is critical of the FCNL and believes if the FCNL alone tries to organize metropolitan France, the full strength of French forces cannot be placed behind the invasion effort. On the other hand, while the Army heads have been selected by de Gaulle and report to the FCNL, the Comite is working closely with General Revers, de Gaulle's representative charged with organizing the regular Army forces. The Comite desires to establish effective liaison with London in order to advance military cooperation with de Gaulle, and to give the invading armies the full support of all groups. General Revers has also asked for London liaison, since he has been hindered in organizing military forces by lack of a representative of the War Office or General Eisenhower to accompany him.

The Comite National is alarmed over the extent of Communist control in resistance circles, and fears Communist domination if an authoritarian regime is set up. It fears that, regardless of its enthusiasm, resistance "is not serious-minded and discourages solid persons." In the same series of reports from the same source, a summary of a memorandum from

General Revers to de Gaulle is submitted which points out the danger of Communist control. General Revers mentions that while the Communists represent only 25% of certain resistance movements, they have been able to dominate them because of their discipline and cohesion. According to General Revers, the war against Germany is secondary with these elements, who are interested in the preparation of general strikes and the seizing of power after the Nazis leave and before the French and Allies come in. In a separate report General Revers complains that the Communists receive more than their share of the arms with which the Allies have supplied the resistance groups.

The following general analysis of the French political situation, which reflects the point of view of those who favor the Comité National, was given by the same source.

A reaction to extremists has set in. The French people are now ready for a democratic solution. They will consent to any compromise which will keep in balance the two powerful forces in French political life, i.e., tradi-



tion and revolution.

Pétain is a puppet and Laval is unimportant. Lesmoine will be succeeded by Darnand (the chiefs of police universally belong to Darnand's Milice). Some collaborationists remain in the large towns, but their sole thought is their own safety. The resistance movements contain some opportunists who both exploit and are exploited by Algiers, and others who are wasteful and compare unfavorably with the Communists. The Communists are interested in their own goals and exaggerate their numbers. Their numbers are less than in 1936, though more than in June 1941. As an example of this exaggeration, while they possess 7 or 8% of the railroad workers, they allege that they have 50%.

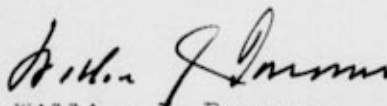
The views presented are those of the moderates. While 10% support Vichy and some support the FCNL, the overwhelming majority have withheld their allegiance. While sympathetic to resistance, they feel their job is to keep order until a regime is established which is worthy of their loyalty. They undergo great risks, but do not believe in violence for its own sake.

These people believe it would augur well for

-6-

France if there could be an understanding between the chosen representatives of France and the regular army under de Gaulle. Unfortunately, this unity does not exist. De Gaulle is a symbol, in whom every man sees what he wishes to see. The moderates believe him to be the supreme leader of the French forces. By some, he is regarded as a general of the Popular Front, while to others he is simply another Bonaparte. General de Gaulle is aware of this fact and will undoubtedly act accordingly. The moderates will not support an alliance which moves in a direction opposed to France's democratic heritage.

The above summarizes the opinion of our informant.



William J. Donovan  
Director

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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19 June 1944

Miss Grace Tully  
The White House  
Washington, D.C.

Dear Grace:

Will you please hand the attached memorandum to the President, as I believe it will be of interest to him. Thank you.

Sincerely

*Bill*

William J. Donovan  
Director

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**OFFICE OF STRATEGIC SERVICES**  
**WASHINGTON, D. C.**

19 June 1944

MEMORANDUM FOR THE PRESIDENT

I know you will be interested in the following report which I have just received from my senior intelligence officer in the European Theater of Operations. The report is based on five days observation of major towns, lodgement area, and conferences with several corps and division commanders.

1. Military.

With rare exception, combat success, substantial leadership and morale of troops tops. Logistical support over beaches now surpassing schedule. Enemy divisions in North and Northwest reduced to about half strength. Civilian reports and prisoner interrogation indicate enemy troop morale low. Absence of Luftwaffe important factor. Our men who fought the German in Tunisia and Italy report him not as determined a fighter. Enemy equipment quality good especially electrical and mechanical

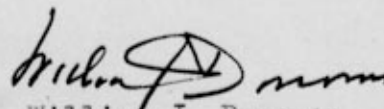
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devices like Doodlebug but quantity, especially artillery, lacking.

2. Civilian and Political.

French still 50% apathetic because of shock, civilian casualties, and effects of four years of German rule. Isigny, Carentan and small coastal villages badly wrecked, but Bayeux untouched. Older people still admire Petain as their protector from Hitler. Many cannot understand previous Giraud-DeGaulle jockeying while Germans still in France. Normandy does not appear wildly pro-De Gaulle. People thawing out rapidly under influence of our GI's. No critical shortage in this rural section except for bread. Most French claim flour available for only three weeks.

  
William J. Donovan  
Director



**OFFICE OF STRATEGIC SERVICES**  
WASHINGTON, D. C.

19 June 1944

*file 9*

**MEMORANDUM FOR THE PRESIDENT**

1. We have received from our office in London certain information concerning the operation of the pilotless aircraft which are presently being directed against England. This information was forwarded in response to a cable inquiry which reads as follows:

"Since enemy use of either robot planes or rockets appears to be irreconcilable with good timing or good military judgment, I am looking for some rationalization. Do the Germans believe this attack of sufficient vehemence to be untenable to British-American War effort by the maintenance of suspense and terror? Have you learned that any special explosive has been used for the first time in these weapons? If no abnormal explosive is indicated, watch keenly for evidence of the dissemination of any sort of contagion near to places hit. Does wreckage of devices indicate use of gyro? Do robots come over at definite time intervals and how many in 24 hours? Are we using Radar defensively? Give appraisal of whole affair. Urgent."

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By Authority of CIA, 007622

letter of 6-26-73

By SR Date JUL 6 1973

**TOP SECRET**

Yesterday we received the following reply from London:

"With regard to timing or good military judgment of launching PAC it must be taken into consideration that our previous bombing necessitated entire change of method in launching these craft.

No evidence as yet of special explosive. War head is thin cased HE 1000 KG bomb. Time interval depends on facilities of each site. Therefore cannot state as yet any definite time intervals. No evidence as yet of any sort of contagion near place where PAC hit.

PAC are robot compass controlled, compass set prior to launching. No change in flight possible. PAC show up on radar.

From 1130 17 June to 0540 18 June 138 PAC launched. 94 made landfall, 52 landed greater London area, 30 outside, rest undiscovered up to present time, 5 destroyed by fighters. No report as yet of results obtained past night by A.A. Between 0540 and 0900 18 June 15 more launched. Photo reconnaissance shows two new sites ready between Somme and Seine, three new sites in Pas de Calais area. Germans working feverishly to get old sites in commission."

2. A supplementary cable indicates that the projectiles are coming over regardless of weather conditions or the time of day or night. It is anticipated that there will be a considerable increase in the numbers of rockets launched as compared with previous attempts.

DECLASSIFIED  
By Authority of CIA, 007622

letter of 6-26-73  
By SR Date JUL 6 1973

*W. J. Donovan*  
William J. Donovan  
Director.

DECLASSIFIED

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*file*

18 June 1944

19 June 1944

Miss Grace Tully,  
The White House,  
Washington, D. C.

Dear Grace:

Would you be kind enough to place the  
attached memorandum before the President?

Thank you.

Sincerely,

*Bill*

William J. Donovan,  
Director.

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CIA H- 11/27/74  
Date DEC 4 1974

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

SECRET  
DECLASSIFIED

May 5, 1944

18 June 1944

Mr. Elmer Davis, Director  
Office of War Information  
Social Security Building  
Washington, D. C.

MEMORANDUM FOR THE PRESIDENT

Dear Mr. Davis:

I am attaching the correspondence which shows the working arrangement between OWI and OSS.

I am glad to tell you that in all theaters there is a fine spirit of cooperation between the two organizations.

"1. OSS is responsible for the dissemination of official American propaganda outside the United States from an American source (i.e., outside the United States).

*W. J. Donovan*  
William J. Donovan  
Director

"2. OSS is responsible for the dissemination of propaganda, either true or false, which actually or ostensibly originates within enemy or enemy-occupied territory. Such propaganda will not be considered the official United States propaganda, nor will it be readily traceable to an official United States source.

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(COPY)

May 5, 1944

Mr. Elmer Davis, Director  
Office of War Information  
Social Security Building  
Washington, D. C.

Dear Mr. Davis:

As a result of discussions between members of our respective staffs, the following memorandum has been drawn up, setting forth the principles covering the proposed cooperative program between our two organizations:

"1. OWI is responsible for the dissemination of official American propaganda which openly emanates from an American source (i.e., outside enemy or enemy-occupied countries).

"2. OSS is responsible for the dissemination of propaganda, either true or false, which actually or ostensibly originates within enemy or enemy-occupied territory. Such propaganda need not necessarily represent the official United States viewpoint, nor shall it be readily traceable to an official American source.

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"3. OSS will not install or operate a black radio station outside of enemy-occupied territory, without obtaining the prior concurrence of OWI.

"4. In order to avoid working at cross-purposes, it is the intention of OWI and OSS to inform the other of the type, context and objective of all propaganda leaflets which are planned to be dropped from airplanes over enemy or enemy-occupied countries.

"5. It is mutually recognized that in certain areas, where a PWB organization does not exist, the OWI and OSS representative will be called upon to carry out missions which either are clearly in the province of the other, or which represent borderline cases. In such situations, it will be the intention of each organization to see that such projects are cleared between their respective representatives in the field or in Washington, whichever is appropriate.

"6. The type of coordination, outlined in Pars. 4 and 5, will be carried out by PWB in those areas in which such organization exists.

- 3 -

"7. Direct liaison between corresponding sections (e.g. Far East Section, OSS-MO and Far East Section, OWI) is encouraged, with the understanding that individuals having conversations shall be responsible for advising their respective liaison officers, namely, Lt. Colonel C. A. H. Thomson of OWI and Lt. Colonel Kenneth D. Mann of OSS, on any matters representing policy or important projects.

"8. Facilities in the field, such as radio stations and printing plants, operated by either organization, will wherever possible, be made available to the other, and details for such collaboration will be worked out in the field."

I am in accord with the foregoing expressions and would deeply appreciate your concurrence, feeling that great benefit will accrue to both our organizations thereby.

Sincerely,



William J. Donovan  
Director

C O P Y

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OFFICE OF WAR INFORMATION

Washington 25, D.C.

May 13, 1944

Brig. General William J. Donovan, Director  
Office of Strategic Services  
Washington, D. C.

Dear Bill:

Thank you very much for your letter of  
May 5 embodying the memorandum worked out by mem-  
bers of our respective staffs.

After a first reading, this memorandum  
has impressed me as being fair and reasonable. To  
preclude any possibility of a misunderstanding,  
however, I have asked several of our officials to  
go over it. Just as soon as I have a report from  
them I will let you hear from me.

Cordially,

/s/ ELMER DAVIS  
Director

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OFFICE OF WAR INFORMATION

Washington

June 6, 1944

Brigadier General William J. Donovan  
Office of Strategic Services  
Washington, D. C.

Dear General Donovan:

As I have previously indicated, I want you to know that we heartily agree in principle with all the points covered in your letter of May 5. After very full consideration we felt that some of the phraseology should be altered in order to avoid any possible misinterpretation by our staffs in the field. None of the proposed changes affect the basic points involved.

Following is our recommended interpretation of the functions of the two organizations:

1. OWI is responsible for the dissemination of official American propaganda. All of this, of course, clearly emanates from American sources outside enemy or enemy-occupied territory.
2. OSS is responsible for the dissemination of propaganda which actually or ostensibly originates within enemy or enemy-occupied territory, provided it is not readily traceable to an American source.
3. OSS will not install or operate a black radio station outside of enemy or enemy-occupied territory, without obtaining the prior concurrence of OWI. OWI will maintain no agents or installations in enemy or enemy-occupied territory.
4. In order to avoid working at cross-purposes, it is the intention of OWI and OSS to inform the other of any propaganda operations which might in any way affect the operations of the other. It is understood that OSS, under its military directives, may carry out propaganda in its field which need not necessarily reflect official

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United States views.

5. It is mutually recognized that in certain areas, where a PWB organization does not exist, the OWI and OSS representative will be called upon to carry out missions which either are clearly in the province of the other, or which represent borderline cases. In such situations, it will be the intention of each organization to see that such projects are cleared between their respective representatives in the field or in Washington, whichever is appropriate.
6. The type of coordination, outlined in paragraph four and five, will be carried out by PWB in those areas in which such organization exists.
7. Direct liaison between corresponding sections (e.g. Far East Section, OSS - MO and Far East Section, OWI) is encouraged, with the understanding that individuals having conversations shall be responsible for advising their respective liaison officers, (namely Lt. Colonel C.A.H. Thomson of OWI and Lt. Colonel Kenneth D. Mann of OSS) on any matters affecting policy or important projects.
8. Facilities in combat areas such as radio stations and printing plants, operated by either organization, will be made available to the other whenever practicable, - - and details for such collaboration will be worked out in the field. All important matters of this sort will naturally be cleared with the Washington headquarters of the two organizations.

Colonel Mann and Mr. Barrett have worked over the above draft, and I understand it meets with their approval. I hope you will let me know your reactions as soon as convenient.

In the meantime, let me say that we are very pleased with the cooperation now existing between your MO Branch and our Overseas Branch.

Cordially,

/s/ ELMER DAVIS

Director ~~DECLASSIFIED~~



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16 June 1944

Mr. Elmer P. Davis, Director  
Office of War Information  
Washington, D. C.

Dear Elmer:

Your letter of June 6 awaited me on my return to this country. The interpretation of our respective functions which it contains is acceptable to this agency. The clarification provided should aid us both to do an effective job. I am grateful to you and to Mr. Barret and Colonel Thomson for your cooperation in working this out with us.

Sincerely,

William J. Donovan  
Director

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THE WHITE HOUSE  
WASHINGTON

June 24, 1944.

MEMORANDUM FOR

GENERAL DONOVAN

I wish you would show this  
to the Secretary of State and also  
the Secretary of War.

F. D. R.

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

19 June 1944

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*file*

Miss Grace Tully  
The White House  
Washington, D. C.

Dear Grace:

I believe the attached memorandum will  
be of interest to the President. Will you please  
hand it to him? Thank you.

Sincerely

*WJ*

William J. Donovan  
Director

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By *AB*

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Date DEC 4 1974

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OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

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19 June 1944

MEMORANDUM FOR THE PRESIDENT

The following report comes to us through confidential channels as the view of T. V. Soong.

The current Japanese advances in China are the real thing and not mere training expeditions. The Chinese generals opposing the Japanese do not plan to defend either Changsha or Changteh. This means that the Japanese will have a virtually unimpeded advance along the railroad running from Hankow to Canton and will be able to complete their internal line of communications all the way from Korea to South China before the end of summer. It also means that the Chinese coastal provinces will be cut off from Chungking.

This view of the military situation is endorsed by General Dewiart, Churchill's representative, and General Grimsdale, the British military attache, and General Wedemeyer. General Dewiart has cabled Prime Minister

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Churchill about it but has received the reply that China was an American responsibility. General Chennault is very concerned about the situation but places the blame on failure to allocate enough material to the Fourteenth Air Force. Chennault also complains that the allocation of space on the over-the-hump air line for the B-29 project to bomb Japan is a mistake at this time because the project as a whole will be no more than a "flea bite". Supplies at the moment should go to medium bombers and fighters that can impede Japanese military operations.

All the military leaders concerned feel that the present Burma offensive is unlikely to produce any major military result and certainly will not lead to the opening of a road to China in the next eighteen months.

Relations between T. V. Soong and Chiang remain strained. Soong told him that he wished to resign as Foreign Minister and leave China. Chiang declined to accept his resignation and ordered him to stay in China. T.V. then asked whether the Office of the Foreign Minister could be of assistance in bringing the present military situation to the attention of President Roosevelt and the

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Prime Minister. Chiang said no, that commitments were made at the Cairo conference and that if the British and Americans don't choose to live up to them, that is their business - regardless of any military defeats within China in the near future the country will eventually be free. Soong reports that Chiang has become quite crotchety and that one sure way of getting him to do something is to take the contrary point of view. For example, at the recent meeting of the Central Executive Committee of the Kuomintang attacks were made on the Chen brothers and Dr. H. H. Kung. The result was that Chiang delivered an elaborate diatribe against all foreigners and increased the power given to the Chen brothers and H. H. Kung. Chiang is paying no attention whatsoever to the domestic economic situation, concerning himself largely with minor decisions on local political matters and integration of his political control of the Chinese Army.

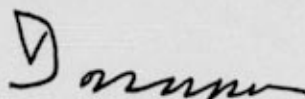
T. V. is reported to be in a good mood despite the trend of events and believes he has taken measures sufficient to insure his personal safety. There was a

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time last fall when he was in considerable danger of being shot. He has the feeling that Chiang will eventually become discredited and T. V.'s political science group will take over. He admits, however, that he would be in a better and safer position to take over if he were outside China.



William J. Donovan  
Director

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WASHINGTON, D. C.

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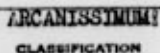
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My dear General Donovan:

I appreciate very much the work which you and your staff undertook, beginning prior to the Japanese surrender, to liquidate those wartime activities of the Office of Strategic Services which will not be needed in time of peace.

Timely steps should also be taken to conserve those resources and skills developed within your organization which are vital to our peacetime purposes.

Accordingly, I have today directed, by executive order, that the activities of the research and analysis branch and the presentation branch of the Office of Strategic Services be transferred to the State Department. This transfer, which is effective as of Oct. 1, 1945, represents the beginning of the development of a co-ordinated system of foreign intelligence within the permanent framework of the government.

Consistent with the foregoing, the executive order provides for the transfer of the remaining activities of the Office of Strategic Services to the War Department; for the abolition of the Office of Strategic Services; and for the continued orderly liquidation of the office without interrupting other services of a military nature the need for which will continue for some time.

I want to take this occasion to thank you for the capable leadership you have brought to a vital wartime activity in your capacity as Director of Strategic Services. You may well find satisfaction in the achievements of the office and take pride in your own contribution to them. These are in themselves great rewards. Great additional reward for your efforts should lie in the knowledge that the peacetime intelligence services of the government are being erected on the foundation of the facilities and resources mobilized through the Office of Strategic Services during the war.

Sincerely yours,

HARRY S. TRUMAN

My dear Mr. Secretary:

I have today signed an executive order which provides for the transfer to the State Department of the functions, personnel and other resources of the research and analysis branch and the presentation branch of the Office of Strategic Services. The order also transfers the remaining activities of the Office of Strategic Services to the War Department and abolishes that office. These changes become effective Oct. 1, 1945.

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The above transfer to the State Department will provide you with resources which we have agreed you will need to aid in the development of our foreign policy, and will assure that pertinent experience accumulated during the war will be preserved and used in meeting the problems of the peace. Those readjustments and reductions which are required in order to gear the transferred activities and resources into State Department operations should be made as soon as practicable.

I particularly desire that you take the lead in developing a comprehensive and co-ordinated foreign intelligence program for all Federal agencies concerned with that type of activity. This should be done through the creation of an inter-departmental group, heading up under the State Department, which would formulate plans for my approval. This procedure will permit the planning of complete coverage of the foreign intelligence field and the assigning and controlling of operations in such manner that the needs of both the individual agencies and the Government as a whole will be met with maximum effectiveness.

Sincerely yours,

HARRY S. TRUMAN

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